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ROYAL COMMISSION ON THE
TEXTILE INDUSTRY

HON. MR. JUSTICE W. F. A. TURGEON
Commissioner

A. S. Whiteley, Secretary

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Minutes
VOLUME IX

40th, 41st, 42nd, and 43rd Days.

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14.6.38.

Mr. McRuer



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J. C. McRuer, Esq., K.C.

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

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ON JANUARY FOUR EIGHTY TWO
FORMED A NEW PARTY
AND WAS THE ONLY
ONE TO BE RE-ELECTED
IN THE CITY OF TORONTO
IN THE MAY ELECTIONS.

THE NEW PARTY
WAS FORMED IN
MAY, 1982,
AND WAS THE ONLY
ONE TO BE RE-ELECTED
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ROBT. BRYDIE

CHARTERED STENOGRAPHIC

REPORTER

TORONTO

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CANADA

5260

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

FORTIETH DAY

(May 29th, 1936)

Robert Brydie,
Official Reporter.

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ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

A p p e a r a n c e s:

J.C. McRuer, K.C. and)

E. Beauregard, K.C.) Commission Counsel.

J.P. Lanctot, K.C.

For Special Committee of
Primary Textile Industries.

C.G. Heward, K.C.)

Aime Geoffrion, K.C.)

C.T. Ballentyne,)

and)

G.P. Cossette, K.C.)

For Dominion Textile Co.
and Montreal Cottons
Company, Limited.

S.G. Dixon, K.C.

For Courtaulds Limited,

L.A. Forsyth, K.C.

For Canadian Celanese Ltd.
and Canadian Silk Products
Limited.Maxime Raymond, K.C., M.P. For the Catholic Labour
Association for the City
of Valleyfield,

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COMPANIES INCORPORATED IN CANADA

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Gurnham,

Valleyfield, P.Q..

May 29, 1936.

11 o'clock a.m.

-- On resuming.

CHARLES WILLIAM GURNHAM, recalled,

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MR. MORUER: I am proceeding, my lord, to read from the minutes of the shareholders, a meeting held on the 14th of February, 1899 recorded at page 286 of the book that I was reading from last night, and reading from page 287 --

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"It affords your Directors very much pleasure to meet the Shareholders on this the occasion of the twenty-sixth annual meeting of the Company when it is their privilege to lay before you a statement of the affairs of the company for the year ending the 31st day of December last.

15

It is the pleasing duty of your Directors to be able to say that on the whole the Company has had a very successful and prosperous year notwithstanding that there has been very keen competition from the United States, and also in consequence of the reduced duties now in force between this country and England.

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25

It will be remembered that mention was made in last year's report of the desirability of building a new mill for the purpose of making a class of goods that had not hitherto been produced in this country, the cost to be in the vicinity of four hundred and fifty thousand dollars. To this end three hundred thousand dollars of bonds, payable in ten years bearing

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-- in 1911.

1911-1912

1911-1912: I am exceedingly glad to read
from the minutes of the Association, a meeting held
on the 14th of February, 1911, recorded at page 205 of
the book that a resolution was passed, and

reading from page 205 --

"It is the opinion of the Association very much to be
glad that the Association on this the occasion
of the twenty-sixth annual meeting of the
Company when it is their privilege to lay before
the Association of the affairs of the Company
for the year ending the 31st day of December

It is the pleasure of your directors
to be able to say that on the whole the Company
has had a very successful and prosperous year
notwithstanding that there has been very keen
competition from the United States, and also
in consequence of the reduced duties now in
force between Great Britain and the United States.

It will be remembered that action was taken
in last year's report of the Association of
calling a new bill for the purpose of making
a claim of goods that had not shipped to be
presented in this country, the cost to be in
the vicinity of four hundred and fifty thousand
dollars. To this end three hundred thousand
dollars of funds, besides in ten years working

"interest at 4½% were issued; these bonds were sold at 1½% premium. Since then an issue has been made of one hundred and fifty thousand dollars of the company's stock at par, which has all been readily taken up by the shareholders; as this is equal to a bonus of seventy-five thousand dollars or more, no cash bonus has been declared this year."

THE COMMISSIONER: How much stock did you say was issued?

MR. McRUER: \$150,000, my lord.

THE COMMISSIONER: Dollars worth?

MR. McRUER: \$150,000 worth of the company's stock at par.

THE COMMISSIONER: That is equal to a bonus of \$75,000?

MR. McRUER: \$75,000 or more, "no cash bonus has been declared this year."

"The result of the year is as follows:

We have written off the large sum of \$73,402.59 for repairs. Depreciation on machinery, \$25,000. depreciation on buildings \$15,000, balance of flume account, \$21,940.05."

The last three items total \$61,940.05.

"The last item is a balance of \$96,000 expended some six years ago on flume and other improvements, and which is now entirely written off.

We have placed at credit for possible bad debts, one per cent on our sales, amounting to \$14,941.95 which leaves to the credit of this account after providing for all bad and doubtful

"debts, so far as known, the sum of \$36,739.99.

We have also added to reserve of insurance account a sum of \$16,659.38 leaving at credit of insurance reserve and guarantee account the sum of \$39,020.51 and after paying four dividends of 2% each amounting to \$120,000 there remains the sum of \$66,816.83 to be carried to the credit of profit and loss account.

The new mill now almost complete will be one of the finest on this continent, and it is hoped that within a very few months it will be equipped and started with a fair amount of machinery. It is expected that it will be at least two years before the whole building will be occupied, it being somewhat larger than originally intended.

Your Directors would again express their confidence that in building this mill, they have acted wisely in the interests of the shareholders, and more especially as it is intended that no goods will be attempted to be made in this mill that have hitherto been made in this country. Consequently they feel that no other kindred corporation has been injured by this enlargement.

The total sales for the year have been \$1,494,195.68 against \$1,435,003.92 an increase of \$59,191.76 which, considering that a considerable reduction in price has taken place during the year, should be considered very satisfactory.

During the year the Company has built, in

5254

Guthrie &

"debit, so far as known, the sum of \$186,739.99.

We have also added to reserve of insurance

account a sum of \$16,629.28 leaving at credit of

insurance reserve and guarantee account the sum

of \$29,080.51 and after paying four dividends

of \$4 each amounting to \$160,000 there remains

the sum of \$66,816.68 to be carried to the

credit of profit and loss account.

The new mill now almost complete will be

one of the finest on this continent, and it

is hoped that within a very few months it will

be occupied and started with a fair amount of

activity. It is expected that it will be at

least two years before the whole building will

be occupied, it being somewhat larger than

originally intended.

Your Directors would again express their

confidence that in building this mill, they have

acted wisely in the interests of the shareholders

and more especially as it is intended that

goods will be attempted to be made in this mill

that have hitherto been made in this country.

Consequently they feel that no other kindred

corporation has been injured by this enlargement.

The total sales for the year have been

\$1,494,125.68 against \$1,435,008.98 an increase

of \$59,116.70 which, considering that a con-

siderable reduction in price has taken place during

the year, should be considered very satisfactory.

During the year the company has built, in

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Gurnham,

"addition to the new mill, which is to be known as the Empire Mill, large storehouses of very solid construction capable of holding 10,000 bales of cotton. We have also erected a very fine goods warehouse which will greatly facilitate the handling and assorting of goods for orders. We have also erected ten brick cottages at a cost of \$10,500 all of which have found ready occupancy at remunerative rentals. The Company now owns 98 cottages all of which are well occupied.

We have sold land during the year to the value of \$7,245 and we have still several hundred acres which will no doubt all come in valuable at no distant day.

During the year we have made satisfactory arrangements with the Town of Valleyfield for our taxes on all mill property for ten years from January 1st of this year. We have also sold to the town a system of water works which supplied our cottages for the sum of \$20,000 which was considered a very good price. We expect to get the cash or bonds of the Town of Valleyfield for this on or before the 1st of May.

THE COMMISSIONER: What is the amount?

MR. McRUER: \$20,000.

"We have also built a large chimney at a cost of nearly \$10,000."

Then, go to page 343, a meeting of the shareholders held on the 13th of February, 1900, and reading from page 343 at the foot of the page. After the usual

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pleasant introductory paragraph the report goes on to say.

"It is very satisfactory to your Directors to be able to state that the year has been one of the most successful in a financial point of view that the company has yet enjoyed.

Owing to the delay in getting in our machinery the new mill which we call the 'Empire' has not yet been quite filled up, but it is hoped now that in a very few months all the machinery will have come forward, and that much better earnings will result therefrom.

There has been a large addition made to what is called the 'Louise' mill which when completed will give us seven or eight hundred looms additional.

A good deal more money was spent this year than was originally intended but the demand for our goods has been such that we have been obliged to use all our efforts to supply the wants of our customers by increased production.

Although our production has largely increased it is very satisfactory to be able to state that our increase is nearly altogether on new lines of goods which have not hitherto been manufactured in this country, so that while extending largely the business of this company no other kindred corporation has been injured."

There is great interest about that.

"In view"-- well, the next one is about the low

...to be known ...

...it is very ...

...the new ...

...is called ...

...a good ...

...it is very ...

...the ...

water of the St. Lawrence. They seem to have had
those troubles in those days too. Further down on
page --

THE COMMISSIONER: What do they say about the waters?

MR. MORVEN:

"In view of the continual lowering of water in the
St. Lawrence and the uncertainty arising there-
from your Board have felt it necessary to
further increase the power by an increase of
electric power house which we expect to be ready
early in the Spring.

We shall then, we trust, be entirely independ-
ent of any irregularity arising from the erratic
rise and fall at certain times in the river.

It is expected when completed we shall have
in electric power alone about four thousand
five hundred H.P. or about double what we now
have.

During the year 2300 shares (one share in ^{five} ~~100~~)
of the Company stock have been distributed among
the shareholders at par, and the remaining shares
over and above the division of one to five were
sold, and the premium, some \$8160 was placed to
the credit of profit and loss.

The capital stock of the company now stands
at \$2,000,000 and bonds \$300,000.

The results of the year's operations are as
follows:-

We have written off the large sum of \$87,099.81
for repairs and in addition have written off--

number of the St. Lawrence. That seems to have been
these troubles in these days too. Further down in

the St. Lawrence River; and the St. Lawrence River

"In view of the continued lowering of water in the

St. Lawrence and the increasing cost of power

from your works have felt it necessary to

further increase the power by an increase of

electric power house which we expect to be ready

soon in the Spring.

As a result of the work, we expect to be satisfied

with the results of our investigation, showing that the

rise and fall of certain times in the river.

It is expected that completed we shall have

the same results as those of the St. Lawrence

five hundred H.P. or about double what we now

have.

During the year 1900 water (one share is now

of the company stock have been distributed among

the shareholders at par, and the remaining shares

over and above the division of one to five were

paid, and the proceeds, some \$100,000 were placed in

the credit of profit and loss.

The capital stock of the company was \$1,000,000

at \$2,000,000 and bonds \$500,000.

The results of the year's operations are as

follows:

We have written off the large sum of \$25,000

for repairs and in addition have written off

5268

Gurnham,

Buildings	\$15,000
Machinery	30,000
Dredging and water power	20,000
In all	<u>\$65,000</u>

According to our custom for some years past we have placed to credit of sales guarantee account one per cent on sales which leaves to the credit of this account, after providing for all known bad debts during the year, the sum of \$49,018.51.

We have also added to the insurance reserve account the sum of \$22,850.37 leaving to the credit of this account \$61,871.38.

We have paid the bond and all current interest, four quarterly dividends, amounting to \$129,000 after which there is left the sum of \$85,942.95 which has been placed to the credit of profit and loss.

The total sales for the year amount to \$1,702,686.21 as against \$1,487,396.08 the previous year.

During the year the Company has, in addition to what has already been referred to, erected twenty-eight brick cottages at a cost of \$1300 each and also twenty wooden cottages on stone foundations at a cost of \$650 each. This has been found necessary in order to accommodate our increasing help. The Company now own one hundred and twenty-five houses and cottages.

We have also erected several substantial

• 501

[illegible]

"buildings for the purpose of concentrating several departments such as blacksmith shop, belting, roller covering"-- and it looks like "ploughing", "piping", and there are other supplies of one kind and another.

"We have sold land during the year to the value of \$4015.75.

The company have now in all about 3100 looms in operation.

The number of hands employed are about 2300.

From what has now been stated you will see that no effort has been spared on the part of your Directors and manager, to make your property as complete and efficient in all respects as possible.

Everything in connection with the mill has been well looked after, and nothing that prudence, foresight and money could do has been left undone to make this company thoroughly up to date in all respects".

Then, we go to page 394. This is a meeting of shareholders held on the 12th of February, 1901. Page 394, at the foot of the page.

"Your Directors have more than usual pleasure in meeting the shareholders to-day, as this year marks one of the best and most satisfactory in the history of the company.

The new mill which we call "The Empire" is now about filled with machinery, and the results from its working is all that your Directors have anticipated, and it is hoped that the ensuing year

"I think for the purpose of communicating news
and organizations such as the National Youth
Council, and there are other agencies of the
kind now existing.
"I think that the time has come for the value
of the work done in the past year to be
reviewed.
The committee have now in all about 2100 letters
in connection.
The number of letters received has been 2500.
The fact that we have received 2500 letters
and the effort has been made on the part of the
committee and members, to make your committee as
efficient as possible in all respects as possible
concerning the connection with the staff has
been made. The committee has been very
thorough and money counts as has been left in
the hands of the committee as to how to
all members."
Then, we go to page 244. This is a meeting of the
board held on the 14th of February, 1901. Page 204,
at the foot of the page.
"Our directors have now been elected
in meeting the shareholders last, so that your
one of the best and most satisfactory in the his-
tory of the company.
The new mill which we call the 'Hoping' is
now being filled with machinery, and the results
of the work in all that your directors have
investigated, and it is hoped that the

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"will even show up better so far as that mill is concerned.

The Louise Mill has also done well, but owing to a scarcity of power the result has not been so good as it otherwise would have been. We hope by the early spring to have all the power required.

Since our last annual meeting your Directors decided to purchase"-- it looks like the Beatrice property --

MR. BEAUREGARD: Buntin.

MR. McRUER: Buntin property.

"Buntin property, which we considered was essential in order to complete the company's plans and to prevent the water power from falling into the hands of some concern that might prove an undesirable neighbour. The price at which it was procured seemed to us extremely reasonable and your directors were all unanimous in securing this property. The price paid for it was \$72,500 from which we can deduct about \$8000 or \$10000 which we will get for old machinery and building material.

Before closing with the Estate Buntin we entered into correspondence with the Minister of Railways and Canals, and after one or two satisfactory interviews with that gentleman, we secured the whole of the power, which we are able to develop, estimated at about 4000 h.p., at a rental of one thousand dollars a year. The cost of creating the power is, of course, to

"be borne by our company.

We next made an arrangement with the town of Valleyfield to get a bonus of fifty thousand dollars (\$50,000) payable as soon as the mill is running, and what we consider better still we get twenty years exemption from taxes.

The new mills we are erecting your directors believe will be the most profitable of any of our property, it being intended to make a class of goods of very fine make and to use the new process of mercerizing, which adds, without much cost, a considerable value to the goods."

Then, the manager went across to England to get the machinery at the cheapest price possible, and they congratulate themselves on the success, and then, at page 397 --

"In view of the new expansion that we have undertaken it will be necessary to increase the capital stock of the company and we thought when we are at it (as it will cost no more) to obtain the charter, it might be as well to ask for an increase of \$2,000,000 or double our present capital.

Your Directors, if elected, intend to call up \$500,000 within the next five or six months, and perhaps later on a further call will be required by the end of this or beginning of next year; we want to have ample means to carry on our now large business and enable us to lay in the most of our stock of cotton without borrowing from the bank.

Although our capital is now only \$2,000,000

"we estimate that there is property of the value of about \$3,000,000. You will therefore see that while we have lost no opportunity in taking advantage of everything conducive to the welfare of our branch of business, we have been conservative in using our surplus assets, towards building up a large and profitable business.

The result of the year's operations is as follows:-

We have written off for repairs \$72,741.49.

Buildings \$15,000. Machinery, \$30,000 and

Dredging and Water Power \$20,000." The last three total \$65,000.

"In addition we have placed a further sum to credit of sales guarantee account, one per cent on sales which leaves to the credit of this account, after writing off all bad debts, known for the year, and past expenses of strike, the sum of \$66,876.26."

I may look into the directors' minutes, my lord, to find out if there is any information about what the causes of the strike were.

"Then we have added to Insurance Reserve account a further sum of \$27,228.60 leaving at credit of this account \$87,099.98.

We have paid the Bond and all current interest, also four quarterly dividends amounting to \$160,000 after which is left the sum of \$153,067.59 which has been placed to the credit of profit and loss account.

add to pleasure of work and actual life on"

...and, after waiting off a 15 day course, have a good, solid, and quiet rest, before

" The total sales for the year amount to
\$1,811,812.60 being an increase of \$324,416.52.

We have sold land during the year to the value
of \$6,050.

The Company have now about 3618 looms in operation.

The number of hands employed are about 2500.

During the year a change of managers has taken place and so far as we can see it, has been most desirable."

At page 402 there is a copy of the by-law providing for the increase in the capitalization of the company. It reads as follows:-

"Whereas the whole capital stock of the company has been allotted and paid in.

And whereas it is proposed to extend and enlarge the company's undertaking and enterprise and it is in the opinion of the directors requisite in order to the due carrying out of the objects of the company to increase the capital stock to a total amount of four million dollars, such increase to consist of twenty thousand shares of new stock of the par value of \$100 each.

It is therefore hereby resolved that the capital stock of the company be increased to the total amount of four million dollars, such increase to consist of twenty thousand new shares of the par value of one hundred dollars each, and that the necessary steps be taken to secure the

1927

The total sales for the year amount to

\$1,411,411.50 being an increase of \$224,411.50.

The above sales were during the year to the value

of \$5,100.

The company have now about 1215 shares in opera-

tion. The number of shares owned is about 1200.

During the year a change of management has taken

place and so far as we can see it, has been most

at page 402 there is a copy of the original resolution

for the increase in the capitalization of the company.

It reads as follows:-

"Whereas the whole capital stock of the company

has been allotted and paid in.

and whereas it is proposed to extend and

enlarge the company's manufacturing and engineering

and it is in the opinion of the directors

respective in order to the one carrying out of the

object of the company to increase the capital

stock to a total amount of four million dollars,

such increase to consist of twenty thousand

shares of new stock of the par value of \$100

each.

It is therefore hereby resolved that the

capital stock of the company be increased to the

total amount of four million dollars, such in

crease to consist of twenty thousand new shares

of the par value of one hundred dollars each, and

that the necessary steps be taken to effect the

"sanction of the present by-law by the shareholders of the company and the confirmation thereof by the issue of Supplementary Letters Patent."

Then, we go to page 448; it is a meeting of shareholders held on February 11th, 1902.

"Your Directors have more than ordinary pleasure in meeting the shareholders of the company today. It will be remembered by some of you who were present at the last annual meeting that it was intimated that the year we were entering on would be one of the best the company had yet had. It is now very gratifying to your directors to be able to state that their predictions have been fully justified and that the result of the year's work is in all respects satisfactory.

The new mills, called the Gault Mills, are now fully equipped with machinery, and it is expected that within a very short time a great portion of it will be running; it will, however, probably be the first of July before all the machinery will be at work. We expect to turn out some very fine goods at this mill and your directors feel confident that the result will be all that they originally anticipated when the mill was first planned, and that it will be a source of great profit to the company.

During the year two calls have been made on the capital stock of the company of five hundred thousand dollars each. The calls have been well responded to, and it is expected by the 15th

"February that all calls will be paid in full.

The paid up capital of the company on the 15th of March will be \$3,000,000.

The result of the year's business is as follows:

5 We have written off for repairs \$70,237, buildings, \$15,000, machinery \$30,000, dredging and water power \$20,000. In addition we have placed a further sum to the credit of sales guarantee account of \$21,316.52 leaving now at the balance of this account as a reserve against bad debts the sum of \$88,192.78."

10 I am told that long distance is calling me, my lord. May I have a five minutes' recess?

15 THE COMMISSIONER: Yes. I was going to say perhaps somebody else could read that for you.

MR. McRUER: Well, I have it marked and I don't know that anyone will just be able to follow my interpretation.

20 -- Adjourned for five minutes.

-- On resuming.

MR. McRUER:

25 "Then we have added to Insurance Reserve account a further sum of \$22,591.32 leaving at credit of this account the sum of \$101,691.30.

30 We have paid the bond and all current interest, and four quarterly dividends amounting to \$170,000 after which is left the sum of \$205,060.27 which has been placed to the credit of profit and loss account.

With this satisfactory result and in view of

approximately that this will be the result.

The said amount of the balance on the last

of which will be \$2,000,000.

The result of the audit is as follows:

We have written off for the year \$10,000,000, including

\$10,000,000, including the same.

over \$20,000,000. In addition we have placed

a reserve fund for the credit of the balance

account of \$2,000,000, including the same of the balance

of this account as a reserve fund and deposit

the sum of \$2,000,000.

I am told that the same is being paid, my friend.

Yes, I have a five minutes' request.

and I am sure that it will be paid.

perhaps somebody else could read that in 1902.

Mr. ROY: Well, I have it written and I don't

know that anyone will find it able to follow up

information.

-- (The speaker is silent.)

-- On receiving.

Mr. ROY:

When we have added to Insurance Reserve account

a further sum of \$2,000,000, including the credit

of the same, the sum of \$10,000,000.

We have paid the bond and all current interest

and four quarterly dividends amounting to

\$10,000,000 after which the total sum of

\$20,000,000.27 which has been added to the credit

of the same, the sum of \$10,000,000.

With these additions, the total sum is \$30,000,000.

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"our large reserve your directors felt justified in increasing the dividend from eight to nine per cent per annum, which action they trust will be satisfactory to the shareholders as it is to your directors.

Being anxious to obtain all the water power possible it was thought wise and in the interest of the company to secure the Beaubien property adjoining us. This has been done at a considerable cost but in view of the increased power it will give us, it was considered wise by your directors to secure this property.

The total sales for the year amount to ~~\$221~~ \$2,072,489.95 being an increase of \$260,677.35 over the previous year.

We have sold land last year to the value of \$3050.00.

The Company has now about 3500 looms in operation and the number of hands employed is about 2400. The new mill will have 36,000 spindles, 900 looms and will employ about 400 hands. It is said to be one of the best constructed mills on this continent.

The Company's works and properties are insured for, mills, \$3,145,500; new mills and other buildings, \$935,000 making a total insurance of \$4,080,500."

Then, page 494, a meeting of the shareholders held on the 10th of February, 1903; at the foot of the page --

February, 1968: at the end of the year
and 1968, a meeting of the shareholders held

"Your Directors have very much pleasure in again meeting the shareholders on this the occasion of the thirtieth meeting of the company.

Notwithstanding that the business of the year has not been as favourable in the general cotton trade as could be wished, this company has no reason to complain. Owing to the superior character of the goods manufactured by us we have not only held our own but show a slight advance on the profits of last year. This result is largely owing to the new mills called the Gault Mill now being almost in full operation.

These mills are probably the finest of the kind on this continent, and it is hoped that the future experience will prove the wisdom of your directors in erecting and in equipping them to manufacture such a high class of goods as we are doing.

We have never yet tried to boom this company's affairs but we can affirm with pride that there is no better directed concern in this country, and we even go so far as to say there is nothing better managed on the continent, and after all management is the great thing in all manufacturing concerns, but there is nothing that requires good management more than a cotton mill. A little carelessness or looseness here and there will soon change a profit into a loss.

The preferential tariff, your directors think, has been a great mistake and it is hoped that the

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"Government will realize this and abandon it altogether and bring back the duties to what they were before it was introduced. In the United States goods of a similar class enjoy a protection of 60 and even 80%. While we do not want such a high protection as this we think it absolutely necessary that the tariff should be increased if our mills are to continue prosperous."

That is the first time the chorus has been sounded.

MR. BEAUREGARD: What year is that?

MR. MORIER: This is in the year 1903.

"The capital of the company is now \$3,000,000 all fully paid up. Our property is estimated in the vicinity of \$4,500,000. The surplus has been earned after long years of economy.

The result of this year's business is as follows:

We have written off for repairs ~~\$22~~ \$69,605.05, Buildings, \$15,000; Machinery, \$30,000; Dredging and Water Power, \$20,000. In addition we have placed a further sum to the credit of sales guarantee account of \$23,924.28 leaving now at the credit of this account as a reserve against bad and doubtful debts \$112,117.06. We have added to insurance reserve account a further sum of \$12,430.44 leaving at the credit of this account \$114,121.44.

We have paid the bond and all current interest and four quarterly dividends amounting to \$258,750.00 after which is left the sum of

1917

1917

"Government will receive this and should it

withstand our trial and the trial to find

that, which is not a trial. In the

the trial is not a trial.

a trial of 10 and over 10. While we do

not want such a trial, we should be

absolutely necessary that the trial should be

increased in our trial and to be done.

It is the first time the trial has been

the trial is not a trial.

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Gurnham,

"\$231,579.58 which has been placed to the credit of profit and loss account.

5 The total sales for the year amount to \$2,384,416.27 being an increase of \$311,926.33 over the previous year.

The Company have now 4551 looms and 171,800 spindles in operation and the number of hands employed is about 2722."

10 MR. HEWARD: What is the number of hands there, Mr. McRuer?

MR. McRUER: 2722.

15 "The company's works and plant are insured against fire for \$4,525,700 and in addition we have a policy for \$400,000 called 'Use and Occupancy' so that if a fire should occur we would be able to go on paying dividends as usual."

20 Q. Then, this book that I show you marked minute book number five is one of the minute books of the Montreal Cotton Company that you produce from its records? A. It is.

Q. It opens on page one with a meeting of directors dated the 9th of February, 1904.

25 THE COMMISSIONER: Who are they?

MR. McRUER: S. H. Ewing, Jacques Grenier, the Hon. J. K. Ward, R. R. Stephenson, A. F. Gault, H. M. Molson. Mr. Ewing signs as president at this time. I will refer to the meeting of shareholders held on the 9th of February, 1904 at page 4 of this book.

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"Since the last occasion when we had the pleasure

Gurnham,

"of meeting the shareholders the Board has suffered an irreparable loss by the death of Mr. Gault."

At page 7 --

5 "Your Directors have much pleasure in again submitting to you what they consider to be a very satisfactory statement of the company's business and progress during the past year especially so in the face of the disturbed state of the cotton manufacturing interests throughout the world, owing to the abnormally high prices of raw cotton and the general troubles in the financial world, these latter affecting necessarily all general business.

15 The standard quality of our product has steadily increased, and a large variety of new lines have been added and were it not for the present state of preferential duties which are very seriously affecting the home market, all the machinery in the new Gault Mills would be in operation. 20 The cancellation of these preferential duties is going to be of the greatest importance to this company as a factor in its future successful development and prosperity. Your Directors are 25 full alive to this feature of the situation and it should be their future policy to constantly endeavour to try and have them removed and adjusted with more justice to our home manufacturers.

30 In view of the present extraordinary price of raw cotton it has been decided that the future policy of the company will be to reduce production

"to the lowest point possible so that in the event of any drop in prices of raw material no loss will be sustained on its manufactured goods. So far the company has purchased its raw cotton at fairly favourable prices and has now sufficient supply to meet the mill requirements for several months to come.

The results of the year's operations are as follows:

After providing for the usual guarantee and Insurance Reserve, depreciation account and the usual quarterly dividends amounting to \$270,000 we have carried forward to the credit of profit and loss account \$190,084.19. The result is on the total sales of \$2,591,408.28 and may be considered a very creditable showing.

There has been no material change in the buildings and machinery of the mills except in the erection of a new stone warehouse to be used for various purposes which cost about \$75,000.

The buildings and machinery have been maintained in a high state of efficiency, the sum of \$76,671.80 having been disbursed in this connection.

The company's works and plant are fully insured against fire", and so on.

(page 5285 follows)

"to the lowest point possible in the
event of any crop in price of the material
as it will be available on the market
as the two groups of the material
and the other of the material, which will be
and the other of the material, which will be
months for several months to come.

The results of the present operations are

as follows:

The material for the material
the material, the material, the material
the material, the material, the material

we have carried forward on the basis of

profit and loss account \$100,000.00. The

result is on the total cost of \$2,000,000.00

there has been no material change in the price

and machinery of the mill except in the

operation of a new stone which has been for

and the price at which cost about \$70,000.

The buildings and machinery have been installed

in a high state of efficiency. The cost of \$10,000.00

having been absorbed in this connection.

against fire, and so on.

And we go to page 60 of the same book, meeting of shareholders held on the 14th of February, 1905:

"It affords your directors very much pleasure to meet you on this occasion of the 32nd Annual General Meeting of the Company when it becomes again their duty and privilege to place before you a statement of the Company's affairs for the year ending 31st of December last.

Your directors desire to place on record their deep sorrow in the death of Mr. James Wilson, late Vice-President of the Company.....

It is gratifying to your directors to be able to state that although the year through which we have just passed has not been as generally prosperous as was anticipated, yet the results of your operations as will be presented to you to-day have been eminently satisfactory, and your directors feel assured that when all the attendant circumstances are considered the shareholders will feel equally gratified. The sales for the year 1904 have been \$2,179,433, as against in 1903 \$2,575,231, showing a decrease in 1904 of \$395,798. This decrease may be accounted for by the reduced demand consequent upon the high price of raw cotton, the change of fashion, the greater outside competition arising from the preferential duty in favour of English manufacturers, which has largely increased the import of English

1920

MINUTES

and we go to page 60 of the same book, meeting
of shareholders held on the 14th of February, 1920:

"It affords your directors very much pleasure
to meet you on this occasion on the 22nd Annual
General Meeting of the Company when it becomes
again their duty and privilege to place before
you a statement of the Company's affairs for the
year ending 31st of December last.

Your directors desire to place on record
their deep sorrow in the death of Mr. James Wilson
Vice-President of the Company.....

It is gratifying to your directors to be
able to state that although the year through
which we have just passed has not been as favorable
prosperous as was anticipated, yet the results
of your operations as will be presented to you
to-day have been eminently satisfactory, and
your directors feel assured that when all the

holders will feel equally gratified. The profits
for the year 1920 have been \$2,179,443, as against
in 1919 \$2,575,251, showing a decrease in 1920
of \$395,758. This decrease may be accounted

for by the reduced demand consequent upon the
high price of raw cotton, the change of fashion,
the general business conditions and the fact that
the Company's investments have been at a loss.

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textiles.

The production has been largely curtailed in order to meet this reduced demand, as it was considered undesirable to accumulate more manufactured goods than the market could easily healthfully absorb.

After providing for the usual guarantee and assurance reserves, after writing off a liberal amount for depreciation on buildings and machinery, after the payment of the usual dividends amounting to \$270,000, there still remains to be carried forward to the credit of Profit and Loss Account the sum of \$32,540.18.

It should indeed be a matter of congratulation to the shareholders to possess a property capable of achieving such results under the circumstances above alluded to.

During the year there has been no new additions to any extent to the buildings and machinery of the mills. These have, however, been maintained in a high state of order, repair and efficiency, the sum of over \$60,000 having been expended in this direction.

The works and plant are fully insured against loss by fire and in addition the company holds a policy of \$400,000 to secure the payment of dividends in the event of suspension of operations resulting from a fire.

The production has been largely restricted in
order to meet this reduced demand, as it was
considered undesirable to accumulate more
inventory than the market could absorb.
The result of the first quarter
and insurance reserves, after writing off a liberal
amount for depreciation on buildings and machinery,
after the payment of the usual dividends amounting
to \$250,000, there still remains to be carried
forward to the credit of profit and loss account
the sum of \$33,640.15.
It should indeed be a matter of congratulation
to the shareholders to possess a property capable
of achieving such results under the circumstances
above alluded to.
During the year there has been no new building
to any extent to the buildings and machinery of
the plant, and the same has been maintained
in a high state of order, repair and efficiency.
The sum of over \$50,000 having been expended in
this direction.
The works and plant are fully insured against
loss by fire and in addition the company holds
a policy of \$200,000 to secure the payment of
dividends in the event of destruction of buildings.

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Page 62: "Your directors, after careful consideration,
have decided that it is in the better interests
of the Company, while so many of the Company's
looms are idle and until the whole plant is again
fully and actively employed to change the principle
which has prevailed in the past in the division
of profits, and to adopt a more conservative rate
for the regular quarterly dividends adding an
extra bonus from the profits when fully justified
therein either at the close of the half year or
of the full year.

Your directors feel satisfied that this
proposal will meet with your approval and support.

THE COMMISSIONER: It was then reduced from 9 per cent.
to seven per cent. It does not say so there but that
is what happened.

MR. McRUER: Then we go to page 83, which is a
special meeting of shareholders held on the 5th of
June, 1905, and I think I shall ask the Reporter if he
will copy into the notes the complete statement that
was put before the shareholders at that time. I
read some passages of it the first day we were sitting
here, which was a resume of five years prior to that
time. Some movement had been on foot to buy up the
stock of this company through the trust companies.

THE COMMISSIONER: What is the object of this
special meeting?

GUTHRIE

2577

Page 21:

From discussion, after careful consideration
have decided that it is in the better interests
of the Company, and in so many of the Company's
interests and assets and assets that it is
to be and actively engaged to change the position
which has prevailed in the past in the division
of assets, and to accept a more conservative view
for the transfer of assets and assets and
assets and assets and assets and assets and
assets and assets and assets and assets and
of the past year.

From the fact that this
statement will meet with your approval and support.
The same is true: It was then reduced from a per cent
to seven per cent. It does not say so there but it
is what happened.

Mr. Stewart: Then we go to page 22, which is a
special meeting of shareholders held on the 2nd of
June, 1900, and I think I will ask the question if
will copy into the notes the complete statement that
was put before the shareholders at that time. I

and a number of it the first day we were sitting
at, which was a house of five years prior to that
and some movement had been on foot to pay up the

The Chairman: That is the subject of this
statement.

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MR. McRUER: This special meeting is to put before the shareholders a statement of the history of the Company and reason why they ought not to accept the offer that had been made, but the reporter will copy the printed statement that appears at page 84:

"To the Shareholders of

THE MONTREAL COTTON COMPANY,

Montreal, June 5, 1905,

Gentlemen:

On the 30th of May last the shareholders of the Montreal Cotton Company received through the mail a circular issued by the Royal Trust Company, a copy of which is doubtless in the possession of each one here, and a copy of which I now lay on the table. On the same day a number of the shareholders of our Company handed to me a written request that I should call a meeting of the shareholders and place before them a complete statement of the condition of the Company, together with a statement showing the operations of the Company for the last five years.

In accordance with this request I immediately called this special meeting to discuss fully a matter of such vital importance to the shareholders as the proposed purchase of your shares at a figure which, in my opinion, is very much under their true value.

Before discussing the offer, allow me to present statements of the Company's affairs as at the 31st December 1904, and a further statement showing the operations of the Company for the last five years ending 31st December, 1904.

The statement of the position of the Company as at 31st December last shows our assets and liabilities to be as follows:

STATEMENT No. 1:

BALANCE SHEET 31st December, 1904

ASSETS

Cash, Book Debts, and mortgages,	\$368,115
Cloth manufactured and in process,	1,308,100
Raw Cotton,	26,049
Supplies,	235,774
Mill property, consisting of land, machinery, cottages for workmen, etc.	<u>4,769,883</u>
	\$6,707,921

LIABILITIES.

Open accounts and Bills payable,	806,373
Advances,	450,000
Bonds,	350,000
Capital,	<u>3,000,000</u>
	4,606,373
Surplus,	<u>2,101,548</u>

This surplus is divided as follows:

Profit and Loss Account,	\$1,795,298
Bad debt Guarantee account,	161,144
Insurance reserve,	<u>145,106</u>
	\$2,101,548

Before dissolving the office, which he is
presently the owner of the company's office as it
was December 1st, and a further statement was
the position of the company for the last time
The statement of the position of the company
as at that time was as follows:
Liabilities to be as follows:

Capital, \$100,000
Reserve, \$100,000
Profit, \$100,000

Assets, \$100,000
Liabilities, \$100,000
Profit, \$100,000
Assets, \$100,000
Liabilities, \$100,000
Profit, \$100,000
Assets, \$100,000
Liabilities, \$100,000
Profit, \$100,000

Capital, \$100,000
Reserve, \$100,000
Profit, \$100,000
Assets, \$100,000
Liabilities, \$100,000
Profit, \$100,000
Assets, \$100,000
Liabilities, \$100,000
Profit, \$100,000

This surplus is divided as follows:
Profit and Reserve, \$100,000
And debt, \$100,000
Assets, \$100,000
Liabilities, \$100,000
Profit, \$100,000

STATEMENT No. 2,PROFIT AND LOSS ACCOUNT FOR 1904,

Manufacturing profit, \$ 304,476

5 Rents, &c. 14,096
318,572

Dividends to Shareholders, 270,000

Bond Interest, 13,500

Bad Debts, 2,532 286,532

10 Balance carried forward, \$ 32,340

Memo, - There was written off from manufacturing
account the sums of \$115,000 for Depreciation and
21,855 for Sales Guarantee.

STATEMENT No. 3,

Actual Earnings for five years from December

31st, 1899 to December 31st, 1904, \$2,522,427.22,

which amount was paid and appropriated as follows:

To shareholders, \$1,128,750.00

20 Interest on Bonds, 67,500.00

Bad Debts, 27,720.20

Depreciation, 375,000.00

Bad Debts Guarantee Fund, 111,125.27

25 Reserve Fund or Profit and Loss, 812,331.75
2,522,427.22

In addition to the \$375,000 written off for
depreciation, there was paid \$471,859.72 for repairs
and improvements during the same period, and
30 charged in the operating expenses.

These statements disclose, First, that in five
years you have made a gross profit of something

Manufacturing Profit, \$ 134,400
 Sales, No. 11,700

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Good Interest, 10,000
 Bad Interest, 1,000
 Balance carried forward, \$ 24,000

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Notes - These are written off from manufacturing
 account the sum of \$10,000 for the year ending

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Actual earnings for five years from December
 31st, 1905 to December 31st, 1909, \$1,324,427.21,
 which amount was paid and appropriated as follows:

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Interest on Bonds, 87,000.00
 Dividends, 17,000.00
 Negotiation, 375,000.00
 Bad Debt's Guarantee Fund, 111,100.00
 Reserve Fund for profits and loss, 81,250.00
 2,000,000.00

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In addition to the \$275,000 written off for
 the election, there was paid \$471,550.72 for the
 improvement during the same period, and

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over two millions and a half dollars, and which I venture to say, you cannot but regard as eminently satisfactory.

5 Out of this large sum you, the shareholders, have been paid dividends in cash to a total of \$1,128,750.00, or an average on your investment at the rate of 8.65% per annum. The Bondholders have also been paid their interest of \$67,500.00. There 10 has been written off for depreciation on your plant buildings, etc., the large sum of \$375,000. All bad debts have been specially written off and in addition to that, there has been added special 15 reserve for bad debts the sum of \$111,125 making the total of this reserve on the 31st December, 1904, the large sum of \$161,144. There has also been added to the credit of Profit and Loss account during 20 the five years in question the magnificent sum of \$812,331, which added to the sum previously existing makes your present reserve on this account foot up, to a total of \$1,795,298. In addition to all this your Company has a reserve on Insurance Account of 25 \$145,106, and a further reserve of \$161,144 for Bad Debt account, making your combined reserve the large sum of \$2,101,543, or over 70% of your total capital. In other words, you have had paid to you a satisfactory dividend, your plant has been 30 maintained in an exceedingly high state of efficiency and you have accumulated a reserve account in excess

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of 70% of your capital. Now, I think you must all agree that this is a highly creditable showing, and one of which as shareholders we should be proud. I am proud of it and every shareholder here should take equal pride in it.

Now, the first question that doubtless arose in your mind on receiving the circular of the Trust Co. was probably this "why should these people want to obtain possession of our property?" Well, the reasons are not hard to find. It is found in the statements I have given you. It is found in the fact that doubtless they realize that your property is "par excellence the finest cotton property in Canada, if not in America, and that if they could obtain control of it the benefit would be with them instead of with the present shareholders.

Now, with your permission let us examine the offer of the Trust Company:

In the first place the circular does not disclose the names of the parties for whom the offer is being made. They may be men of wealth and men of experience, but on the other hand they may not.

The point is, and it is a point I want you to consider, you are asked to sell your shares and entrust your interests to people who do not disclose their names. Now, I have shown you what the Directors you have elected have done for you in the past, and I ask you, Is it a good business proposition

... of your capital, now, I think you must all
... this is a slightly or otherwise arranged, and
... of which an arrangement should be made. I am
... of it and every arrangement here should take
... I believe in it.
Now, the first question that doubtless arose in
your mind on receiving the circular of the Trust Co.
... in possession of our property? Well, the reason
... was not hard to find. It is found in the circular
I have given you. It is found in the fact that
less they realize that your property is not absolutely
the finest cotton property in Canada, it not in
America, and that if they could obtain control of it
the benefit would be with them instead of with
...
Now, with your permission let us examine the
of the Trust Company:
In the first place the circular does not disclose
the names of the parties for whom the offer is being
made. They may be men of wealth and men of
experience, but on the other hand they may not.
The point is, and it is a point I want you to consider
you are asked to sell your shares and control your
interests to people who do not disclose their
names. Now, I have asked you what the likelihood
... have elected have done for you in the past,
and I am sure, as it is a new business organization

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for us to transfer our interests to people whom we do not know? Then, again, the circular does not say anything about the capitalization of this new company. It does not say how much preferred stock is to be issued. It is equally silent on the important point as to whether there is any new money whatever to be invested in the enterprise by this syndicate. For all we know there may be a large issue of preferred stock ranking equally with the preferred stock they offer you. In fact, the circular is nothing short of an invitation to a blind pool. Now the bonds they offer you are simply secured on the stock you deposit, and therefore are not one whit better than the security you now hold. Then so far as Reserve goes, they are not as good as the stock certificates you surrender, for the latter have paid you 8.65%, while the bonds would only pay you 6%. I must also draw your attention to the fact that this syndicate reserves to itself the right to pay off your 6% bond investment at any time at 105. Now your company in the past issued bonds bearing interest at $4\frac{1}{2}\%$ and sold the bonds at about par. This means that when the money market is easy you will one fine morning wake up to find that your bonds are called for payment and your 6% investment is over. That, you can see is quite one of the possibilities and not at all an improbability.

The so called preferred stock is, you will notice,
 Non-cumulative, and so the syndicate especially
 if they issue to themselves common stock, which they
 probably will, would find it to their advantage to
 defer paying dividends on this preferred stock until
 they were prepared to pay dividends on their own
 holdings of common stock. In other words, it is
 possible for the new Holding Company to defer paying
 dividends on the preferred stock for say five years,
 then pay a 7% dividend for the one year and declare
 on their own holdings of common stock a dividend
 equal to the total profits accumulated at that time.
 But suppose we give them credit for no such bad
 intentions, but on the contrary suppose they allow
 the present shareholders to retain their new bonds
 and that each year they pay the interest on the bonds
 and the 7% dividend on the preferred stock, then let
 us see how our shareholders would fare for the next
 four years, as compared with the last four years.

The net earnings for the last four years
 were, \$1,701,853.

Of which the shareholders
 received in dividends, 962,750

Leaving a balance of \$739,103.

All of which was added to Reserve and thereby
 increased the value of the property and the security
 of the shareholders.

If the Holding Company makes for the next
 four years the same profit, viz., \$1,701,853.

They would pay out a maximum in interest
on bonds and 7% dividends on preferred
stock the sum of \$1,000,000
and there would remain a balance of, 701,853
which would all belong and probably be paid in
dividends to the common shareholders of the Holding
Company, with the result that your security instead
of being improved as it has been under your own
management to the extent of \$700,000 would remain
exactly as it is and you would have lost about
\$175,000 per annum.

It is true that in view of the abnormally depress-
ed condition of the cotton business generally during
the past 18 months your Directors deemed it
advisable to decrease the regular dividend from
9% to 7% dating from the 1st of January last but you
will permit me to draw your attention to the following
remarks in the last annual report of the Company.

2 Your Directors after careful consideration
have decided that it is in the better interests
of the Company to change the principle which
has prevailed in the past in the division of
profits and adopt a more usual and conservative
rate for the regular quarterly dividend adding
an extra bonus from the profits when fully justified
therein either at the close of the half year or at the
end of the full year." This action was taken ⁱⁿ your
interest and has we think been approved by the

They would pay out a maximum in interest

on bonds and VY dividends on preferred

stock the sum of \$1,000,000

and there would remain a balance of \$1,000,000

which would be left and probably be paid in

interest to the common shareholders of the company

company, with the result that the security is

of being improved as it has been under previous

management to the extent of \$1,000,000 would remain

available as it is and, a solid base for the

\$1,000,000 per annum.

It is true that in view of the character of the

ed condition of the cotton business, the price of

the past 18 months your Directors demand is

adequate to decrease the regular dividend from

to \$1.00 per share from the rate of \$1.25 per share

will result in the fact that your attention to the fact

remains in the last annual report of the company.

2 Your Directors after careful consideration

have decided that it is in the best interests

of the company to change the dividend from

to \$1.00 per share in the past in the division of

profits and suggest a more usual and conservative

rate for the regular quarterly dividend which

is now \$1.25 per share and suggest that the

dividend should be the same as the rate of \$1.00

and the company would be in a position to

maintain and has no other plan proposed by the

shareholders generally.

"Gentlemen:

5 We have a property superior to anything of the kind in this country, and I go further and state absolutely that a finer plant and water-power from a cotton mill standpoint is not to be found on the continent of America.

10 The machinery for the most part is new and all in excellent condition. We have a water-power that is invaluable and as a matter of fact the power is not valued as an asset in the property account. We have at the present time developed 7500 H.P. 15 although using only 5000; this can be enlarged and developed greatly in excess of its present capacity whenever necessity demands. On a conservative estimate this alone as a power proposition should be worth \$150,000 per annum or 20 equal to 5% on a capital of 3,000,000.

25 Now I might say much more but I do not wish to tire you, and I think enough has been said to justify my advice not to part with your property on the terms of the offer of the Trust Company. It would appear unaccountable to any reasonable person why any shareholder of your Company should accept the proposition now made, and it has been suggested as a possible reason that in more than 30 one instance special inducements have been offered in the way of more favourable terms, the promise of

to have a two, only question to answer is of the
kind in this matter, and I to further and state
that I am a first class and water-power firm
a certain will be made as not to be known on the
consistency of matter.
The machinery for the work has been and all
in excellent condition. We have a water-power that
is available and as a matter of fact the power
is not valued as a asset in the property account.
We have in the property account the value of the
if the value of the property is to be enlarged
and developed greatly in excess of it a present
value of the property is about \$100,000.
conservative estimate this value as a power
proposition should be worth \$150,000 per annum or
equal to be on a capital of \$5,000,000.
Now I might say much more but I do not wish
to tire you, and I think enough has been said to
justify my advice not to part with your property
on the terms of the offer of the Trust Company.
I would appear unaccountable to any reasonable
person why any shareholder of the company should
accept the proposition now made, and it has been
suggested as a possible reason that it more than
one thousand special dividends have been offered in
the way of not a dividend for the year.

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dictatorships in the proposed new companies
and other positions of value.

5 The proposition made to you is one that
in my opinion should not be seriously considered.

10 You have a property that is worth far more,
far more, far more in its actual physical value,
far more as a revenue producer. If you want
to sell as a whole I am confident a better offer
than that of the Royal Trust can be secured
but I again advise you not to sell, but to continue
to carry on your business in the future on the
same conservative basis adopted in the past,
15 and I am confident the results will justify this
advice.

S.H. Ewing,

President."

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(Page 5300 follows)

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relationships in the proposed new companies

and other persons of value.

The Commission would be very glad to

in my opinion should not be seriously considered.

You have a property that is worth far more

than more, but more in the actual physical sense

than more in a tangible sense. It has been

to sell as a whole I am confident a better offer

than that of the Royal Bank can be made

and I am confident you will be able to obtain

to obtain on your own in the future in the

same consecutive years as you have in the past

and I am confident the results will justify this

offer.

Very truly,

Respectfully,

(Enclosed follow)

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The Minute of the Meeting appears at page 84:

"The President, Mr. Ewing, then proceeded to

place before the shareholders a report which he

had prepared, which was done accordingly and is

attached hereto."

That is the report I asked the Reporter to copy.

"After considerable discussion the Honourable

Mr. Quimet asked if the Directors were all present

and the question being answered in the affirmative

he requested that each director would stand up

and announce the position or say if they were in

favour of the present company whom they were

representing continuing as the Montreal Cotton

Company or were they in favour of the newly proposed

company. The Directors accepted the Honourable Mr.

Quimet's proposal and answered in priority.

Mr. S. Ewing spoke very strongly in favour of

continuing as the Montreal Cotton Company.

Mr. H.M. Molson spoke very strongly in favour

of continuing as the Montreal Cotton Company.

Mr. Jacques Grenier spoke very strongly in favour

of continuing as the Montreal Cotton Company.

Hon. J.E. Ward spoke very strongly in favour of

continuing as the Montreal Cotton Company.

Mr. R.R. Stevenson said he was convinced that

to preserve prices and keep in harmony that it would

be to the best advantage of the Montreal Cotton

Company to pass over to the new Company and that

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Continued

The minutes of the meeting of the 24th of

the President, Mr. King, then proceeded to

the report of the committee on the

and the committee on the

reported on the

That is the report I asked the committee to

and the committee on the

Mr. King asked if the directors were all present

and the question being answered in the affirmative

the committee on the

and the committee on the

and the committee on the

to the committee on the

Company of the 24th of the 24th of the 24th of

company. The directors accepted the

and the committee on the

Mr. King spoke very strongly in favor of

continuing as the Montreal

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Mr. King spoke very strongly in favor

of continuing as the Montreal

and the committee on the

and the committee on the

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business would be adjusted so that the mills be more fully employed.

Mr. A.H. Gault, Non-committal.

5 Mr. James Rodger said in his present position as executor of two estates who were largely interested in this company and according to the wills he was called upon to work faithfully for the interest of the estates and as a shareholder and director of the Montreal Cotton Company he felt that it was his duty to tell the shareholders present that he had in no way jeopardized their interests in the present movement and that he trusted they would see that placed as he was, that he was not prepared to commit himself in any way.

10 Several other shareholders expressed themselves strongly in favour of continuing as the Montreal Cotton Company.

20 It was moved by Judge Quimet, seconded by R. Bolton that this meeting be adjourned."

Then there is a meeting of Directors at page 86, held on the 14th of June, 1905. Mr. Ewing, Mr. Grenier, Hon. Mr. Ward, Mr. Stevenson, Mr. Molson, Mr. Gault and Mr. Rodger present.

25 "Stock taking was ordered to be taken in the usual manner. Mr. Molson made a request as follows:

At our special meeting I found quite a diversity of opinion among the directors. At this our first regular meeting I would like to hear from the Board

30

but one would be required to find the will to
more fully enjoyed.

Mr. James Webster said in his personal position

as executor of the estate who was largely concerned
of in this company and according to the will he
was called upon to work faithfully for the interest
of the estate and as a shareholder and director
of the Montreal Cotton Company he felt that it was
his duty to tell the shareholders present that he
had in no way jeopardized their interests in the
present movement and that he trusted they would not
feel pained as he was, that he was not prepared
to commit himself in any way.

strongly in favour of continuing as the Montreal

Cotton Company.

It was moved by James Webster, seconded by

H. Holton that this meeting be adjourned.

Then there is a meeting of Directors at 8 p.m.

and Mr. Rogers present.

James Webster was ordered to be taken in the name

of the company a dividend of \$100,000.

At the special meeting I found quite a diversity

of opinion among the directors. At this time there

as to the policy of the Montreal Cotton Company.
You all know my views and I think it is but right
and fair that each should state his, as I have said
many times I want to preserve the Montreal Cotton
Company for its shareholders, but feel that to get
the best results we must be in harmony.

The information book written up to 30th day
of May was laid on the table."

That is a stock record, they say.

MR. HEWARD: "Sales record.

MR. McRUER: Page 123 is a meeting of the shareholders
on the 13th of February, 1906.

"The annual report of the directors to the share-
holders on this the 33rd General Meeting held in
their office in Montreal, 316 St. James Street,
on Tuesday, the 13th day of February, 1906.

It affords your directors pleasure in meeting
you to-day at this their 33rd Annual General Meeting
of the Company, to place a statement of the affairs
of the Company for the year ending the 31st day
of December last.

Your directors are called upon to place on
record with regret the loss of two old and tried
servants, our late Secretary-treasurer Mr. D. F. Smith
and Mr. J. W. Howard, Stock Transfer Agent.

We are placing a statement before you to-day
which we consider exceedingly gratifying under the
circumstances which have existed for nine months

to the policy of the Montreal Cotton Company.
You all know my views and I think this but right
and feel that even should state his, as I have said
many times I want to preserve the Montreal Cotton
Company for its shareholders, but feel that to go
any further would be tantamount to bankruptcy.
The information book written up to date may

of my was laid on the table."

That is a stock record, they say.

Mr. Howard: I have heard.

Mr. Howard: There is a meeting of the shareholders
on the 11th of January, 1908.

The annual report of the directors to the shareholders
on this 12th General Meeting held in
their office in Montreal, 310 St. James Street,
on Tuesday, the 18th day of February, 1908.

If attends your directors please in writing
you to-day at this their 12th annual General Meeting
of the company, to place a statement of the affairs
of the company for the year ending the 31st day
of December last.

Your directors are called upon to place on

record with regret the loss of two old and tried

members, our late Secretary-Treasurer Mr. E. J. Smith

and Mr. J. W. Howard, both former agents.

are placing a statement before you to-day

which we consider exceedingly gratifying under the

circumstances which have befallen the company.

up to the 30th September last - we referred to the exceptional difficulties which we have had to overcome during the year, and which must be so well known to you all. To begin with the sales for the first six months of the year ending June 30th showed a decrease of \$153,000 as compared with the corresponding six months in 1904, a most alarming reduction, but we are pleased to say that after facing this state of affairs we now show a gain of \$155,000 for the whole year, over the sales of the preceding year, having thus caught up with the former deficit alluded to and converted it into a very handsome increase. Considering the current high price of raw material and the low protection on certain lines of fine goods to which our manufacturing is largely confined, the results of the year may be considered very satisfactorily.

The production of our mill has been greatly increased lately but on account of the partial closing of our works for the greater part of the year, the item of replacing the help which has left us has not only been laborious but very expensive.

The usual provisions have been made for insurance, depreciation of buildings, machinery, and water power, quarterly dividends of one and three quarters per cent. or seven per cent. for the year aggregating \$210,000 have been paid to the shareholders and after all these foregoing provisions

up in the South September last - as returned to the
... which we have had to over-
come during the year, and which must be so well
... to begin with the sales for the
... of the year ending June 30th a considerable
... as compared with the previous
... and we are pleased to say that after facing
... we now show a gain of \$150,000 for
... over the sales of the previous
year, having thus caught up with the former year's
... it into a very handsome
... considering the current high prices of
raw material and the low production of certain lines
of the goods to which our manufacturing is largely
confined, the results of the year may be considered
...
The production of our mill has been greatly
increased lately not on account of the partial closing
of our mill but on account of the year,
the loss of replacing the help which was lost as
the not only very laborious but very expensive.
The total production has been made for last
year, depreciation of buildings, etc., and
... of one and a half
... and the
... and the

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we are still able to carry forward the sum of \$30,966.79 to profit and loss.

5 The mill machinery, &c, are all covered by insurance and is also the continued payment of dividends to the extent of \$400,000 in the event of suspension of operation caused by fires.

Then we go to page 173 - a meeting of shareholders held on the 13th of February, 1907."

10 After the usual commendatory paragraph, at page 172:

15 "The extraordinary expense incurred in the repairs necessitated by the starting up of the machinery, in the moving and re-setting up of the new mill machinery, -

I think I had better read the other paragraph at the foot of page 171:

20 "We place before you to-day a statement which we cannot but consider an eminently satisfactory one, notwithstanding the fact that the production during the year was curtailed to some extent through the partial closing of the mills and the great difficulty experienced in securing help

25 a difficulty which was not easily surmounted.

30 The extraordinary expense incurred in the repairs necessitated by the starting up of the machinery, in the moving and resetting up of the new mills' machinery, and in the extensive improvements in the bleachery and dye works has been very

to the still sale to carry forward the sum of
\$20,000.00 to profit and loss.

The mill machinery, etc., are all covered by
insurance and is also the continued payment of
dividends to the extent of \$10,000 in the event
of suspension of operation caused by fire.
Then we go to page 175 - a meeting of share-

holders held on the 15th of February, 1917.

The extraordinary expenses incurred in the
machinery, in the moving and re-erecting up of the
new mill in Ontario. -

I think I have better read the other paragraph at the
foot of page 177:

The place before you to-day a statement which
we cannot but consider an eminently satisfactory
one, notwithstanding the fact that the production
of the year was curtailed to some extent
through the partial closing of the mill and the
great difficulty experienced in securing fuel
a difficulty which was not easily surmounted.

The extraordinary expenses incurred in the
repairs necessitated by the starting up of the

machinery, in the winter and the fact that the

the mill was closed, and in the winter months

state of the country and the fact that

heavy. We are glad to state, however, that almost all of the work has been accomplished satisfactorily and considering the present outlook for the increased cost of material and labour, the cost would have been considerably greater had we delayed making these necessary changes until during the coming year.

We have made a very important change in the mode of the disposal of the product of the mills by dispensing with the services of Special Agent, and administering this department under the immediate control and supervision of the directors.

This change has so far proved beneficial both as regards the sales and the cost of disposal has been materially reduced, and we hope to effect a still further improvement.

The sales have been increased during the past year by \$273,000 over those of 1905, closing with a large increase of orders on our books.

The property has been maintained in first-class repair, the revenue having been charged this year with all the extra expense incurred.

The quarterly dividend of one and three-quarter per cent. aggregating \$210,000 have been paid to the shareholders, the usual reserves have been provided out of revenue for depreciation of machinery, buildings and water powers and also towards the insurance fund. There was still remaining to be carried forward to the account

...and also
...of the work has been accomplished satisfactorily
...and considering the present outlook for the industry
...of material and labor, the cost would have been
...the cost of the work would have been
...to have made a very important change in the manner
of the disposal of the product of the mills by
disposing with the a view of special interest
and administering this department under the immediate
control and supervision of the directors.
The change has so far proved beneficial and as
regards the sales and the cost of disposal and production
materially reduced, and we hope to effect a still
further reduction.
The sales have been increased during the past
year by \$1,500,000 over those of 1905, closing with
a large increase of orders on our books.
The property has been maintained in first-class
repair, the revenue having been charged this year
with all the extra expense incurred.
The quarterly dividend of one and three-quarters
per cent. amounting to \$10,000 have been paid to
the shareholders, the usual reserves have been
provided out of revenue for depreciation of
machinery, buildings and other property and also
for the purchase of new property.

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the sum of \$41,972.24. The mills, machinery, etc.

are all covered by insurance and also continued payments of the dividends up to the sum of \$400,000."

We then go to page 209. This is a meeting of the Directors held on the 9th of October, 1907.

"The following is the decision reached by the Conciliation Committee as attached hereto."

Mr. Molson read letters and the attached is a report apparently of a Board of Conciliation appointed under the Industrial disputes Investigations Act.

THE COMMISSIONER: There was a strike that year?

MR. McRUER: Yes.

THE COMMISSIONER: Is there any reason why we should go into it?

MR. McRUER: Oh, I don't think so; it is only a matter of record. I think I will just ask the Reporter to copy the award of the Board of Conciliation into the record, so that we have it.

"In the Matter of:

THE INDUSTRIAL DISPUTE AND
INVESTIGATION ACT, 1907, AND OF A DISPUTE BETWEEN:
THE CENTRAL COTTON COMPANY, Valleyfield, Que.
Employer,

and

LOCAL UNIONS, Nos. 8, 9 & 10, of the
FEDERATION OF TEXTILE WORKERS OF CANADA,
Employees.

To the Honourable Rodolphe Lemieux,

Minister of Labour,

Ottawa.

Sir:

We, the undersigned, members of the Board of Conciliation and Investigation in the above matter, beg respectfully to submit the following report:

In pursuance of their appointment, the members of the Board first met on the 5th, instant, and, after being duly sworn and exchanging views as to the best method of dealing with the matter in dispute, they decided to visit the premises of the Company, in order to facilitate their understanding of the technical terms which might subsequently be used in the proceedings before them.

On the following day this visit took place, after which it was agreed that the Board should meet in Montreal on the 10th instant, in order to see how far it was possible to dispose of the points in issue between the parties without an investigation.

At this meeting the Board went over all the matters in dispute, and after some discussion, it appeared to them that it was hardly possible to come to any definite agreement upon any point without the presence of representatives of both parties, so an adjournment was made to the next day and summonses were sent to three representatives of the employees. It was further agreed that three representatives of the Company should

As the undersigned, members of the Board
of Directors and Investment in the above
company, has respectfully to submit the following
report:

In accordance of their appointment, the members
of the Board first met on the 1st, instant, and after
an hour and a half session the following views as to the best
method of dealing with the matter in dispute,
they decided to visit the premises of the
company, in order to facilitate their understanding
of the technical terms which might subsequently
be used in the proposed new contract.

On the following day this visit took place,
after which it was agreed that the Board should meet
in November on the 10th instant, in order to see
how far it was possible to dispose of the points
in issue between the parties without an
investigation.

At this meeting the Board went over all the
matters in dispute, and after some discussion,
it appeared to them that it was hardly possible
to come to any definite agreement upon any
point without the presence of representatives
of both parties, or in fact, without the presence
of all concerned parties, and to this effect
sentatives of the company, and the Board agreed
that three representatives of the company should

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also appear before the Board.

In the presence of these gentlemen, every complaint was successively examined and discussed, and a proposed settlement upon each point was taken down.

This work was also continued the whole of the next day, when the 6th question was reached, and as it contained statements of fact which were not admitted, it was agreed that witnesses should be examined on behalf of the employees the following day. On that day the proceedings were continued and 12 witnesses were examined by the members of the Board and the representatives of the parties.

The Board adjourned to meet again on the 16th instant, for the purpose of hearing more witnesses for the employees and also whatever witnesses the Company might wish to produce on its behalf.

On the 16th instant, the representatives of the parties declared that it appeared to them unnecessary to procure evidence upon points already established by the previous witnesses, and after some discussion an agreement was finally reached upon the question then under examination, a result that consequently brought the investigation to a satisfactory termination.

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5 The members of the Board had already inform-
ally discussed the suggestion contained in your
letter of the 4th of September, to the Chairman,
with regard to the advisability of establishing
a permanent Committee of Conciliation, and this
was immediately taken up by the Board, with the
assistance of the representatives of the parties.

10 The result of the proceedings of the Board
is to be found in the copy of the Agreement upon
the whole matter duly signed by the parties,
and which is transmitted to you with the
present report.

15 You will find in that agreement that the idea
of the Permanent Committee has not only been
adopted by the parties, but that the Committee
has actually been established by the Board,
with the consent of the parties, and that it
20 is at this moment in a position to act, if
necessary.

25 Before being signed, this agreement was
submitted for approval to a full meeting of the
employees, by Mr. Paquette, their representative
on the Board, and was unanimously and heartily
accepted.

30 All the proceedings have, by consent, been
carried on privately and without the parties being
represented by Counsel, as was at first proposed.

It was agreed that no information whatever should be given out to any one before the conclusion of the proceedings before the Board, and this understanding was observed by all.

The Board does not feel called upon to make any recommendation except perhaps to join in the prayer contained in the Deed of Agreement, by which the Minister of Labour is asked to appoint a Chairman to that Permanent Committee whenever it is necessary so to do.

Before concluding the Board wishes to state that, although the proceedings were somewhat prolonged, they found that all parties seemed animated by a friendly spirit, and displayed great fairness in dealing with the matters involved in the dispute.

The board feels justified in hoping that the settlement arrived at may be found satisfactory not only for the present, but also, and possibly more particularly, for the future,

We have the honour to be,

Sir,

Montreal, 20th
Sept. 1907.

Your obedient servants,

(Signed) Thomas Parker,

" Duncan McCormick,

" Wilfrid Paquette."

1919

1919

It was agreed that no information should be given out to any one before the completion of the proceedings before the Board, and this understanding was observed by all.

The Board does not feel called upon to make any recommendation except perhaps to join in the

request contained in the report of the Committee.

The Minister of Labour is asked to appoint a Committee to that permanent Committee whenever it is necessary so to do.

Before concluding the Board wishes to state that although the proceedings were somewhat protracted, they found that all parties seemed animated by a friendly spirit, and displayed great fairness in dealing with the matters involved in the dispute. The Board feels justified in hoping that the

settlement arrived at may be found satisfactory not only for the present, but also, and possibly

more particularly, for the future.

We have the honour to be,

Very truly,
Yours,
1919.

For obedient service,

Wm. J. H. H. H.

Wm. J. H. H. H.

Wm. J. H. H. H.

Then we come to page 238, meeting of Shareholders dated 11th February, 1908:

5 We are placing before you to-day a statement which is very satisfactory in view of having had to start up part of the machinery stopped, difficulty in securing the needed help, and labour troubles owing to a very extended price causing a loss of three weeks in the spinning and seven days in the weaving departments with all our 10 bleachery, dyeing and finishing departments, closed down. We have further augmented all wages 15 per cent., meaning an outlay of \$180,000 more than the previous year.

15 The efficient administration of your works has had the usual careful attention. Everything is in good working order, and a liberal outlay on these has been charged to revenue.

20 The sales department, administered under the direct supervision of the Board, has again proved satisfactory, showing an increase in sales over last year of \$346,000 with sufficient orders on hand for some time.

25 Quarterly dividends of one and three-quarter per cent. per annum aggregating \$210,000 have been paid to the shareholders and the usual reserves have been provided for out of revenue, 30 that is, for depreciation on machinery, buildings, water power and insurance fund. There still

Then we come to page 258, meeting of shareholders
June 11th 1907.

We are finding before you so far a statement
which is very satisfactory in view of having had
to start up part of the machinery stopped,
difficulty in securing the needed help, and in fact
troubles arising to a very extended time causing
a loss of three weeks in the spinning and seven
days in the weaving departments with all our
looms, spinning, weaving and finishing departments,
closed down. We have further augmented all
wages is per cent., meaning an outlay of \$100,000
and more for the same time.

The efficient administration of your works
has had the usual careful attention. Everything
is in good working order, and a liberal outlay
in new machinery, and in fact in fact.

The direct supervision of the board, has a plan for
satisfactory, showing an increase in sales
over last year of \$250,000 with sufficient orders
on hand for some time.

Mergerly divisions of one and three-quarter
per cent. per annum as to the \$100,000 have
been paid to the shareholders and the usual
has been have been provided for out of revenue,
that is, for depreciation on machinery, buildings,
and so on.

remains to be carried forward to the credit of Profit and Loss account the sum of \$80,370 and after due consideration your directors have decided to increase the dividends during the coming year to 8 per cent. payable quarterly as heretofore."

THE COMMISSIONER: You provided for the copying into the record of what is said there about the strike?

MR. McRUER: Yes. When I have a moment I think I will see if there is any other information about the cause of that strike as contained in the Award.

Then we go to page 323, which is a meeting of the shareholders held on the 9th of February, 1909, at the foot of page 323:

"It is with much pleasure that your directors meet you to-day at this the 35th Annual General Meeting of the Company to place before you the Statement of the Company's affairs for the year ending December 31st, 1908.

In common with manufacturing enterprises in the industrial world at large, your company has experienced a trying year, and has more or less suffered a material reduction in its profits as compared with those of former years, but we are pleased to state that even under all the difficulties which confronted the company, remunerative profits have been made, the dividends have been fully maintained, the usual depreciation, reserve, insurance (including the policy in the

...to be carried forward to the credit of
Profit and Loss account the sum of \$20,870 and
after due consideration your directors have decided
to increase the dividend during the coming year
to 8 per cent. payable quarterly as hereinafter.

...the record of what he said there about the strike?
MR. McLEOD: Yes. When I have a moment I think
I will see if there is any other information about
the cause of that strike as mentioned in the award.
...then we go to page 323, which is a meeting of the
shareholders held on the 2nd of February, 1902,
at the foot of page 323:
"It is with much pleasure that your directors
meet you to-day at this the 23rd Annual General
Meeting of the Company to place before you the
Statement of the Company's affairs for the year
ending December 31st, 1901.
In common with manufacturing enterprises
in the industrial world at large, your company
has experienced a trying year, and has more or
less suffered a material reduction in its profits
as compared with those of former years, but we
are pleased to state that even under all the
adverse conditions which confronted the company, a sound
active profits have been made, the dividends has
been maintained, and the company's position is
strongly maintained."

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event of fire in force to the extent of \$400,000 to secure dividends) have been provided for, and a balance to the good has been carried forward to the next year.

5 The works moreover have been maintained in their usual excellent working order.

With the world-wide disturbances and ap paralysis of industry already alluded to having been experienced this is very encouraging and we hope for a further improvement in trade.

10 We have succeeded in placing the recently authorized 5 per cent. bond issue at a very satisfactory figure on the other side, the proceeds of which was used to pay off the \$300,000 bonds which fell due May 1st, 1908, and in addition, will render the Company independent of outside banking accommodation, and will also greatly reduce the annual charges for interest and will further put the company in a position to secure their raw material when favourable opportunities present themselves."

15 Then page 374, the Report of the President:

20 "We are placing before you to-day a statement which is very satisfactory, considering the state of trade for the first seven months. The European countries, having no outlet for their surplus stock, have invaded the Canadian market with prices with which the mills in Canada, with the extra cost

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...of the ...
to secure dividends) have been provided for,
and a balance to the good has been carried forward
in the next year.
The work moreover has been maintained in
... ..

With the world-wide disturbances and uncertainties
of industry already alluded to having been experienced
this is very encouraging and we hope for a further
improvement in trade.

We have succeeded in placing the recently
authorized 5 or 6% bond issue at a very satis-
factory figure on the other side, the proceeds of
which was used to pay off the \$200,000 bonds
which fell due May 1st, 1906, and in addition,
will render the Company independent of outside
banking accommodation, and will also greatly
reduce the annual charges for interest and will
further put the company in a position to secure
their raw material when favorable opportunities
present themselves.

Then page 374, the Report of the President:
"We are placing before you to-day a statement
which is very satisfactory, considering the state
of trade for the first seven months. The foreign
... ..
... ..
... ..

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Gurnham

of wages and machinery, and the advance in raw material, must compete at a very marked sacrifice.

In view of this, we consider the results shown as gratifying.

The usual quarter dividends have been maintained, depreciation, reserve and insurance have been provided for, and further, an additional policy of \$400,000 has been taken out to secure the continuance of the dividends in the event of fire suspending for the time the Company's operations, and a balance to the good has been carried forward to the next year."

There is a printed statement attached which I would ask the Reporter to be good enough to copy.

This shows payment of dividends of \$240,000 and balance carried forward to Profit and Loss Account of \$12,990.38.

It shows a profit and loss surplus of \$1,959,122.85.

An insurance reserve of \$243,457.92. Sales guaranteed reserve of \$257,042.26 and added with the balance of Profit and Loss Account for the year of \$12,990.38, makes total reserve, in round figures, \$3,100,000.

The Reporter will copy in the Statement:

THE MONTREAL COTTON COMPANY,

December 31st, 1909.

MANUFACTURING ACCOUNT.

Cotton, Wage supplies

Chemics, \$1,791,987.70,

Statement

2014

of wages and machinery, and the average in the

in view of this, we consider the results shown

as satisfactory.

The total assets of the company are \$1,000,000.

Assets, including cash, accounts receivable, and

been provided for, and interest, an additional

policy of \$400,000 has been taken out to secure

the continuance of the dividend in the event of

the suspension for the time the company's oper-

ations, and a balance to the good has been carried

forward to the next year.

There is a printed statement attached which I would

ask the reporter to be good enough to copy.

This shows payment of dividends of \$840,000 and balance

carried forward to 1914 of \$160,000 and cash of \$1,000,000.

A check of \$100,000 was made on 11, 1914.

An insurance reserve of \$100,000.00.

Reserve of \$257,042.50 and added with the balance of

profit and loss account for the year of \$10,000.00.

Net total reserve, in round figures, \$1,100,000.

The reporter will copy in the statement:

December 31st, 1913.

	Salaries Incidents and General,	\$146,064.25
	Taxes, Interest, Insurance,	
	Repairs and Fuel,	350,060.98
	Depreciation,	115,000.00
5	Gross Profits,	284,542.58
		<u>\$2,687,655.51</u>
	Cloth Sales,	2,937,140.14
	Cloth in process,	1,177,089.54
		<u>4,114,229.68</u>
	Cloth Stock - Dec. 31, 1908,	1,426,574.17
10		<u>\$2,687,655.51</u>

PROFIT AND LOSS ACCOUNT

	Bond Interest and Bad Debts,	\$42,406.95
	Dividends,	240,000.00
15	Balance forward,	12,990.38
		<u>\$295,397.33</u>
	Manufacturing Profit,	284,542.58
	Farm Rents, &c.	10,854.75
		<u>\$295,397.33</u>

ASSETS.

	Cash,	\$ 2,968.46
	Book debts,	804,420.59
25	Real Estate Balances,	2,011.00
	Cloth and Waste,	642,753.19
	Cotton in process,	534,336.35
	Raw Cotton,	671,109.36
	Supplies,	183,109.51
30	Unexpired Insurance,	3,983.74
	Total Working Assets,	<u>\$2,844,885.20</u>

2819

1930-1931

Salaries, Insurance and General, 1930-1931, 1931-1932

Repairs and Fuel, 1930-1931, 1931-1932

Repairs and Fuel, 1930-1931, 1931-1932

Repairs and Fuel, 1930-1931, 1931-1932

Repairs and Fuel, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

Cotton in process, 1930-1931, 1931-1932

5316

Garnham

Bills Receivable, discounted, \$78,358.26
 Employees' Cottages, 154,349.51
 Mill, Land, Power &c. \$4,264,372.36
 7,341,965.33

LIABILITIES

Open Accounts, \$265,720.08
 Bills Payable, 558,330.23
 Total Current Liabilities, 824,050.31
 Indirect, 78,358.26
 Bond Issue, \$1,000,000.00
 Redeemed, 34,056.65 966,943.35
 Capital Account, 3,000,000.00
 Sales Guaranteed, 257,042.26
 Insurance Reserve, 243,457.92
 Profit and Loss (Surplus) 1,959,422.85
 Net Profits since as per account No. 2. 12,990.38
 \$7,341,965.33

Montreal, Feb. 3, 1910,
 Arthur H. Plimsoll, F.A. (Can) John Lowe, Jr.
 Sec. Treas.

(Page 5318 follows)

Other available, disallowed, \$78,324.26
Employees, salaries, 104,224.01
Total, \$182,548.27

ASSETS

Open accounts, \$285,720.25
Other assets, 34,224.01
Total Current Assets, \$319,944.26
Land, \$1,000.00
Buildings, 14,000.00
Furniture, 1,000.00
Other assets, 1,000.00
Total Assets, \$1,000.00
Net profit as per account No. 2, \$1,000.00

Prepared by,
Checked by,
Date,
Total, \$1,000.00

(Page 2 of 2)

Then page 406: Annual General Meeting, 21st of February, 1911:

"It affords your directors pleasure in meeting you to-day at this their 38th Annual General Meeting of the Company, to place before you a statement of the affairs of the Company for the year ending the 31st of December, 1910."

THE COMMISSIONER: What is the date of that?

MR. McRUER: This is report for the 31st December, 1910, and meeting is held on the 11th of February, 1911:

"The year 1910 records the largest production since its inception, the sales having reached the 3,000,000 mark.

In common with other industries the advanced price of raw material has become a very heavy reckoning factor with this company. Notwithstanding this, remunerative profits have been made, the dividend has been fully maintained, the usual provision for depreciation reserve, insurance, bond interest (including policy in the event of fire in force to the extent of \$400,000 to secure dividends) have been made, and a balance to the good has been carried forward to the next year.

The works has been maintained in their usual high state of repair.

Your directors beg leave to report the purchase of the Valleyfield Electric Company.

The Company's works joins the Montreal Cotton Company's

These pages show: Annual General Meeting, List of
Directors, 1911:

You see today at this time both Annual General Meeting
of the Company, to show before you a statement
of the affairs of the Company for the year ending
the 31st of December, 1918.

This statement shows that in the case of assets

Mr. Brydie: This is report for the 1st December,
1918, and meeting is held on the 11th of February, 1919.

The year 1918 records the highest production
since its inception, the sales having reached the
\$2,000,000 mark.

In common with other industries the advanced

price of raw material has become a very heavy burden
lag factor with this company. Nevertheless this

remunerative profits have been made, the dividend

has been fully maintained, the usual provision

for depreciation reserve, insurance, and interest

(including policy in the event of fire in force

to the extent of \$20,000 to reserve dividend)

have been made, and a balance to the good has been

carried forward to the next year.

The works has been maintained in their usual

high state of repair.

Your directors beg leave to report the

performance of the Willyville Electric Company.

The Company's works being the new West Gordon Court

property and will be a very valuable acquisition
and can be operated under our company's management,
doing away with all its previous managing and
clerical expenses. It will be continued and
operated separately under the name of the Valleyfield
Electric Company."

Now, the printed balance sheet I would ask the Reporter
to please be good enough to copy it. . The bond
interest paid was \$48,472.92. Dividends \$240,000.
Balance carried forward to credit of Profit and Loss
account \$20,513.71. Sales guarantee reserve
\$291,392.86. Insurance reserve \$233,457.92.

Profit and Loss Surplus \$1,982,040.67.

"THE MONTREAL COTTON COMPANY,

31st December, 1910.

No. 1. MANUFACTURING ACCOUNT.

Raw cotton, wages, supplies, chemicals, &c.	\$2,276,732.78
Salaries, Incidentals, and general,	143,057.17
Taxes, Interest, Insurance, Repairs & Fuel,	304,978.04
Depreciation,	115,000.00
Gross Profits,	295,084.42
	<u>\$3,134,792.41</u>
Cloth Sales,	\$3,194,220.42
Cloth in process,	1,117,661.53
	<u>4,311,881.95</u>
Cloth Stock, 31st Dec. 1909,	1,177,089.154
	<u>\$3,134,792.41</u>

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property and will be a very valuable acquisition
and can be operated under our company's management
do as away with all its previous managing and
official expenses. It will be contained and

operated separately under the name of the Valley
Company.

Now, the balance sheet I would ask the Reporter
to please be good enough to copy it. The balance

sheet is carried forward to the balance sheet of the
company.

account \$20,513.71. Sales guarantee reserve
\$20,513.71. Insurance reserve \$20,513.71.

Profit and Loss \$20,513.71. Profit and Loss
\$20,513.71.

Profit and Loss \$20,513.71. Profit and Loss
\$20,513.71.

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Profit and Loss \$20,513.71. Profit and Loss
\$20,513.71.

Profit and Loss \$20,513.71. Profit and Loss
\$20,513.71.

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No. 2. PROFIT AND LOSS ACCOUNT.

Bond Interest and Bad Debts,	\$48,472.92
Dividends,	240,000.00
Balance forward,	20,513.71
	<u>308,986.63</u>
Manufacturing Profits,	295,024.42
Farm Rents, &c.,	13,962.21
	<u>308,986.63</u>

No. 3. ASSETS AND LIABILITIES.

Cash,	\$12,982.86
Book Debts, etc.	843,436.20
Real Estate Balances,	3,631.50
Cloth and Waste,	525,837.70
Cotton in process,	591,823.83
Raw Cotton,	345,521.01
Supplies,	198,075.02
Unexpired Insurance,	6,137.20
Total Working Assets,	<u>\$2,527,445.32</u>
Bills receivable, (discounted)	106,019.87
Employees' Cottages,	154,349.51
Mills, Land, Power &c.,	4,210,523.48
	<u>\$6,998,338.18</u>
Open Accounts,	347,970.00
Bills Payable,	<u>None,</u>
Total Current Liabilities,	347,970.00
Indirect,	106,019.87
Bond Issue,	\$1,000,000.00
Redeemed,	33,056.65
	<u>966,943.35</u>
Capital Account,	3,000,000.00

Sales Guarantee	\$291,392.66
Insurance Reserve,	283,457.92
Profit and Loss (Surplus)	1,982,040.67
Net Profits, Balance forward as per Account No. 2,	20,513.71
	<u>\$6,998,338.18</u>

Montreal, February 8th, 1911, JOHN LOWE, Jr.
Arthur H. Flimsoll, F.A. (Can) Sec. Treasurer.

Then we go to page 428. This is at page 427,

A meeting of directors being held on the 9th of August,
1911.

"Moved by F.O. Louis, seconded by H.S. Holt,
and unanimously resolved that this company,
the Montreal Cotton Company, hereby consent to the
use by applicants R.C. Smith, and others applying
for incorporation under the first part of the
Companies Act, Chap. 79, revised Statutes of Canada,
1906, under the name the Montreal Cottons Limited,
for the same name and hereby authorizes the
president and secretary of the company to sign and
execute the requisite consent.

The new company known as the Montreal Cottons
Limited."

Resolved that this Company issue one share of
stock to every shareholder having a share in their
name on record the 5th of September, 1911, gratis,
making a total issue of \$6,000,000, divided as
follows \$3,000,000 preferred bearing interest at

Profit and Loss Statement for the year ended 31st Dec 1911
Net Profit, Balance Forward as at 1st Jan 1911, \$1,301,000.00
Net Profit, \$1,301,000.00

Robert Brydie, Secretary, 1911.
Arthur H. Hinkley, C.A. (Can), Treasurer.

There was no loss for the year.

A meeting of directors was held on the 1st of January 1911.

The directors resolved that the company should be wound up.

The directors of the company, having received the report of the auditors, have by resolution agreed to wind up the company.

The directors have also resolved that the first part of the company should be wound up.

The directors have also resolved that the second part of the company should be wound up.

The directors have also resolved that the third part of the company should be wound up.

The directors have also resolved that the fourth part of the company should be wound up.

The directors have also resolved that the fifth part of the company should be wound up.

The directors have also resolved that the sixth part of the company should be wound up.

7 per cent. accumulative.

THE COMMISSIONER: You say one share to each shareholder?

MR. McRUER: "Resolved that this Company issue one share of stock to every shareholder having a share in their name on record," - it is a curious way of putting it in the Minutes.

THE COMMISSIONER: It really means the shares have been doubled?

MR. Mcruer: Yes.

... "the 5th of September, 1911, gratis, making a total issue of \$6,000,000, divided as follows: \$3,000,000 preferred bearing interest at 7 per cent. accumulative and \$3,000,000 common and that the common shares shall control the affairs of the Company.

Resolved that President, Vice-President and Secretary-Treasurer, act as a Committee to draw up the by-laws for the new company.

THE COMMISSIONER: Well, all those bonus shares issued, though, were ordinary shares.

MR. McRUER: Common shares, my lord.

THE COMMISSIONER: The holders of preferred shares get ---

MR. McRUER: There had been no preferred shares.

THE COMMISSIONER: You mentioned preferred shares there - that is something new.

MR. McRUER: Yes, the proposition is to issue

MR. BRADIE: "Resolved that this Company issue one share of stock to every shareholder having a share in their name on record," - it is a common way of putting it in the minutes.

THE COMMISSIONER: It really seems the names have

been decided?

MR. BRADIE: Yes.

.. "The 31st of September, 1911, the total issue of \$1,000,000, divided as follows: \$1,000,000 preferred bearing interest at 7 per cent. accumulative and \$1,000,000 common and that the common shares shall control the affairs of the Company."

Resolved that President, Vice-President and Secretary-Treasurer, act as a Committee to draw up the by-laws for the new company.

THE COMMISSIONER: Well, all those points

must be made, though, some might say.

MR. BRADIE: Common shares, my lord.

THE COMMISSIONER: The names of preferred series

There had been no preferred shares.

Yes - but the Commission is not

MR. BRADIE: Yes, the Commission is not

1 preferred share and 1 common share gratis, as they call it, for every share in the old company.

5 THE COMMISSIONER: So that the holder of one share in the old company got one share in the new company and one preferred share.

MR. McRUER: That is right.

THE COMMISSIONER: And then the old company disappeared.

10 MR. McRUER: It did not exactly disappear. Apparently it was carried on in a nominal way. The new company operated the business of the old company.

THE COMMISSIONER: I mean all its shares were taken over by the new company?

15 MR. McRUER: Yes. I think what must have gone on was that the shareholders turned into the new company their shares and in return got a preferred share and common share in the new company, but I find that the old company declared dividends and the new company disbursed them. They would get a dividend from the old company and then divide it up among the shareholders of the new company.

20 THE COMMISSIONER: How long did that go on?

25 MR. McRUER: Well, I will have to ask somebody that. It apparently went on, according to the balance sheet, up to 1924, and then a Consolidated Balance Sheet issued at that time.

30 Moved by William C. Finley, seconded by C.B. Gordon, and resolved that the National Trust

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Gurnhan

Company Limited at its Montreal office be and is hereby appointed the duly authorized agent of the Montreal Cottons Limited, for the acquisition by this company of the capital stock of the Montreal Cottons Company."

The Montreal Cottons Company was the old Company.

"It was unanimously resolved that a quarterly dividend of 2 per cent. being at the rate of 8 per cent. per annum be and is hereby declared upon the paid-up capital stock of the Company and that the same be made payable to shareholders..."

I think I have arrived at the reorganization.

MR. HEWARD: My lord, in connection with sitting tomorrow I would be very much relieved, if we did not get through this afternoon, if you should defer the sittings until say Monday or Tuesday.

THE COMMISSIONER: Here?

MR. HEWARD: Yes, because when we first started I was given to understand that we might finish Thursday night and I made appointment. Mr. Ballantyne and I made very important appointment for tomorrow and it is going to make it rather difficult. Mine is a matter of a debt that is running out and some documents have to be filed and clients seen in that connection.

It will take us some time to prepare our answers to some of the charges that have been made, to investigate them and prepare our answers.

MR. McRUER: I feel fairly sure we will get through

company limited as the Montreal office he was in
hereby appointed the only authorized agent of the
Montreal Cottons Limited, for the collection of this
company of the capital at the Montreal Cottons

The Montreal Cottons Company was the old Company.
"It was unanimously resolved that a quarterly
dividend of 2 per cent, being at the rate of
8 per cent, per annum be and is hereby declared
upon the paid-up capital stock of the Company

and that the same be made payable to shareholders.
I think I have arrived at the reorganization.
Mr. Brown: My lord, in connection with sitting
tomorrow I would be very much relieved, if we did not
get through this afternoon, if you should order the
sittings until say Monday or Tuesday.

Yes, because when we first started
I was given to understand that we might finish Thursday
and I was very much relieved, if we did not
make very important appointment for tomorrow and if
is going to make it rather difficult. Also in a matter

of a debt that is running out and some documents have
to be filed and clients seen in that connection.
It will take us some time to prepare our answers to
the charges that have been made, so I have to
prepare our answers.
Mr. Brown: I feel fairly sure we will be done.

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to-day. When I get up to the year 1915 I have printed documents and I do not have to do so much reading.

THE COMMISSIONER: How would it do to come back at 2 o'clock?

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-- Adjourned at 1 o'clock until 2 P.M.

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to-day. When I get up to the year 1915 I have printed
thousands and I do not have to do so much reading.
The book is now in the hands of the public at

2 o'clock

2

-- 1 o'clock at 1 o'clock until 2 P.M.

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ADVENANT DEUX HEURES DE L'APRES-MIDI,
LA SEANCE EST OUVERTE.

5 MR. RAYMOND: Avec la permission de monsieur le Com-
missaire, je voudrais faire entendre le secrétaire-
trésorier qui a apporté la liste des actionnaires.

M. LE COMMISSAIRE: Secrétaire, vous dites?

10 MR. RAYMOND: Le secrétaire-trésorier de la compagnie
avec la liste des actionnaires de la compagnie.
C'est une affaire d'une minute.

--

CHARLES WILLIAM GURNHAM, recalled,
EXAMINED BY MR. RAYMOND:

15 Q. You are secretary-treasurer of the Montreal
Cottons, Limited? A. I am.

Q. Have you a list of all the shareholders of
the company? A. I have.

Q. Will you look over that list and see if the
name, Maxime Raymond, appears on that list?

20 A. I have already gone carefully through the list,
both of common and preferred shareholders, and the
name of Raymond does not appear.

Q. Have you seen any name of Raymond on that list?
A. I have not.

25 Q. To your knowledge you have never seen any
name of Raymond on the list of the shareholders?

A. Not to my knowledge.

M. LE COMMISSAIRE: Est-ce que vous produisez la liste?

MR. RAYMOND: Ce n'est pas nécessaire.

30 Je veux simplement ajouter ceci: c'est que je
n'ai pas d'intérêts, que je n'ai jamais eu d'intérêts
dans la Montreal Cottons, ni de près ni de loi, ni
directement, ni indirectement.

EXAMINED BY MR. HALL-ORR:

the company
A. I have.

• 411 300 1000 111 1000 1000 1000 1000

name, Maxine Raymond, appears on that list?

ALL THIS NO MOTHER IS THAT SHE WAS NOT

.A I evd on.

8. To your knowledge you have never seen any

...of which is the list of the shareholders.

4. Not to my knowledge.

THE COMMISSIONER: You are not going on now, Mr. McRuer?

MR. MCURER: Mr. Beauregard has some witnesses he would like to get rid of.

5

MADemoisELLE THERESE LEBLANC est assermentée
INTERROGEE PAR ME BEAUREGARD:

10

Q Quel est votre âge, mademoiselle?

R 20 ans.

Q Depuis combien de temps travaillez-vous à la filature?

R Cinq ans.

Q Quel est votre emploi actuellement?

15

R Enfileuse de navettes.

Q Depuis combien de temps faites-vous ce travail-là?

R Depuis que je suis entré.

Q Depuis que vous êtes entrée là?

R Oui.

Q Qui est votre contre-maitre?

R Le premier contre-maitre, c'est Jack Hill.

20

Q Le premier contre-maitre?

R Il est décédé.

Q Il a été remplacé par qui?

R Il est pas remplacé encore.

Q Le deuxième, comment s'appelle-t-il?

R Lionel Poirier.

25

Q Avez-vous eu occasion de signer une déclaration à l'effet que vous étiez satisfaite de tel ou tel salaire?

R Ils nous ont fait signer comme quoi on était satisfaites de notre salaire. Ils nous ont obligés à signer.

30

Q Etait-ce un salaire qui répondait aux exigences de la Loi du Salaire Minimum des Femmes?

NEW YORK: You are not going on now, are you?

MR. TOLSON: I am not going on now, are you?
He would like to get rid of it.

He would like to get rid of it.

He would like to get rid of it.

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He would like to get rid of it.

He would like to get rid of it.

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He would like to get rid of it.

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He would like to get rid of it.

He would like to get rid of it.

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Mlle Leblanc

M. LE COMMISSAIRE: Elle dit qu'elle a été obligée de signer?

ME BEAUREGARD: Obligée de signer

Q ... Voici, mademoiselle, une formule, que j'ai dans les mains. Avez-vous eu connaissance de cette formule-là, et voulez-vous dire si c'est la formule que vous avez signée. C'est-à-dire si c'est une formule semblable parce que c'est un blanc, cela?

R

Q Voulez-vous que je vous la lise?

" MINIMUM WAGE BOARD

Application pour demander un permis pour employer des femmes à un salaire plus bas que le salaire exigé par le "Women Minimum Wage Act", par la MONTREAL COTTONS LIMITED, Valleyfield, Que.

Nous, les employées soussignées, étant employées par la Manufacture -lus haut mentionnée, comme "Battery Hands", recevons pour ce genre de travail un salaire plus bas que le salaire demandé par le "Minimum Wage Board" pour notre expérience de temps.

Nous désirons, cependant, continuer notre présent travail aux mêmes conditions, jusqu'à ce qu'il y ait pour nous des ouvertures pour un travail mieux retribué et qui demande plus d'habilité, et, par les présentes, abandonnons nos droits à un salaire plus élevé, tel que demandé par notre expérience de temps pour notre présent travail."

Q Est-ce cette écrit-là que vous avez signé?

R Semblable à ça.

Mlle Madeline

1. Je suis désolée que vous n'ayez pas pu venir à la soirée.
2. Je suis désolée que vous n'ayez pas pu venir à la soirée.
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30. Je suis désolée que vous n'ayez pas pu venir à la soirée.

5328

Mlle Leblanc

Q Quand est-ce que vous avez signé un document comme celui-là?

R J'ai signé il y a plusieurs années, je crois, deux ou trois ans, ou quatre ans.

Q Vous avez signé ce document-là il y a trois ou quatre ans?

R Oui.

Q Comme question de fait, avez-vous continué à recevoir le même salaire?

R Six ou huit mois j'ai retiré deux cents de l'heure de plus.

Q Combien aviez-vous de salaire quand vous avez signé cela?

R Que ça continué cette augmentation-là, depuis?

Q Oui?

R Ça continué depuis.

Q Vous recevez combien de salaire, là?

R \$1.70 par jour.

Q Avant vous receviez 20 cents de mois, vous étiez payé \$1.50?

R Oui.

Q Depuis combien de temps aviez-vous \$1.50 par jour?

R Depuis que je suis entrée.

Q Combien d'heures par jour?

R 10 heures.

Q 10 heures par jour?

R Oui.

Q Vous avez \$1.70, maintenant, par jour?

R Oui, monsieur.

M. LE COMMISSAIRE: 10 heures?

LE TEROIR: Oui.

PAR ME BEAUREGARD:

Q 10 heures par jour?

R Oui.

Q Voulez-vous, mademoiselle, produire comme exhibit numéro.....

M. LE COMMISSAIRE: Ce sera numéro 312.

PAR ME BEAUREGARD:

Q Voulez-vous produire comme exhibit 312, la for-

5329

Mlle Leblanc

mule que vous venez de prendre connaissance?

R Oui, monsieur.

EXHIBIT 312: Application pour demander un
permis pour employer des femmes à un salaire
plus bas que le salaire exigé par le "Women
Minimum Wage Act", par la MONTECAL COTTONS
LIMITED, Valleyfield, Que.

Q Est-ce qu'il n'y a rien que vous qui a signé
cela, mademoiselle?

R Toutes les
employées de la room, de la Louise Mill. Il y en a
une qui l'a pas signée.

Q Qu'est-ce qui est arrivé?

R Elle a été
congediée.

Q Est-ce que les employées ont été averties
d'avoir à signer?

R On demandait si on
signait pas qu'est-ce qui était pour arriver. "Si
vous êtes pas satisfaites de cette job, changez, cher-
chez-en une autre ailleurs à ce prix-là?

Q "Cherchez en une autre ailleurs"?

R Oui, monsieur.

Q Qui vous disait cela?

R Le contre-maî-
tre.

Q Quel était le nom de ce contre-maître?

R Jack Hill, il se faisait interpréter par un autre.

Q Qui?

R M. Sheridan, à l'office.

Q M. Hill parlait anglais?

R Oui.

Q Pour être compris de la plupart des employés, il
se faisait traduire par M. Sheridan?

R Oui.

Q Etait-ce au bureau?

R Oui.

Mlle Lefebvre

Mlle que vous venez de prendre connaissance:

Mlle, Monsieur.

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MADEMOISELLE ALICE LEDUC est assermentée.

INTERROGÉE PAR ME BEAUREGARD:

5 Q Mademoiselle Leduc, étiez-vous ici, témoin,
quand Mlle Leblanc a été entendue?

A Oui, monsieur.

10 Q Voulez-vous prendre connaissance de l'exhibit,
pièce 312, et dire si vous avez été appelée à signer
un document comme celui-là, dont j'ai donné lecture
devant vous, n'est-ce pas?

A Oui, monsieur.

Q Vous avez signé?

R Oui, monsieur.

Q Si vous avez entendu le témoignage de mademoi-
selle Leblanc, êtes-vous en état de la confirmer?

15 R Oui, monsieur.

Q Dans tout ce qu'elle a dit? R C'est juste.

Q Vous savez ce qu'elle a dit? R Oui.

Q C'est votre connaissance? R Oui.

CONTRE-INTERROGÉE PAR ME BAILLANTYNE:

20 Q Dans quel département êtes-vous, mademoiselle?
R Je travaille au quatrième, à la Louise.

Q Quelle sorte de travail? R Anfileuse de
navettes, pareil comme mademoiselle Leblanc.

Q La même chose? R Oui.

25 Q C'est le même département que mademoiselle
Leblanc? R Oui, monsieur.

... de l'Etat ...

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5331

EMILE PILON est assermenté

INTERROGE PAR ME BEAUREGARD:

5

Q A. Pilon, depuis combien de temps travaillez-vous à la filature? R 28 ans.

Q Est-ce 28 ans sans arrêt? R Sans arrêt.

Q Sans arrêt? R Sans arrêt.

Q Vous n'avez pas travaillé en tout 28 ans?

10

R Non, on était arrêté, quelques fois, deux semaines.

Q C'était fermé? R C'était fermé.

Q Quelle est votre occupation actuelle?

R Arrangeur de métiers.

15

Q Depuis combien de temps? R Ça fait 18 ans que je suis arrangeur de métiers.

Q Quel est votre salaire, actuellement?

R 40 cents de l'heure.

Q Est-ce qu'il y a 18 ans que vous avez 40 cents de l'heure?

20

Non, quand j'ai commencé j'avais rien que \$3.60.

Q Combien de temps est-ce que ça fait que vous avez 40 cents de l'heure?

R Ça doit faire 16 ans.

Q Depuis 16 ans votre salaire n'a pas changé?

25

R Oui, on avait 41 cents et demie de l'heure.

Q Expliquez-nous ça de 41 cents et demie vous êtes descendu à quoi?

R 40 centx.

Q Vous êtes resté à 40 cents? R Je suis resté à 40 cents.

30

Q Cela fait combien de temps que vous êtes stationnaire à 40 cents?

R Cinq ou six ans.

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Pilon

Q Vous réparez des métiers; combien de métiers avez-vous à réparer? R 72.

Q En avez-vous déjà eu moins que ça à réparer?

5 R Autrefois les métiers étaient pas automatiques.

Q Est-ce que c'est plus d'ouvrage de réparer des métiers non automatiques que des métiers automatiques?

R La moitié moins d'ouvrage.

Q Autrefois, 72 métiers, la moitié moins d'ouvrage; aujourd'hui, 72 métiers, plus d'ouvrage?

10 R Plus d'ouvrage avec les métiers automatiques.

Q Avez-vous eu plus de 72 métiers à réparer?

15 R Oui, l'année passée ils nous ont donné 145 métiers quand K. Aird a tombé malade. C'est M. Potter qui le remplaçait. On a été voir M. Potter dire que ça avait pas de bon sens, qu'on était pas capable de runner ça, c'était impossible.

Q Qu'est-ce que M. Potter a fait?

R Une couple d'heures après, M. Potter nous a remis à 72.

20 Q Vous êtes resté comme ça depuis ce temps-là?

R Oui, seulement, sur 145 métiers on posait pas de warps, on avait des poseurs de warps.

Q Sur 145 métiers, vous aviez des poseurs de warps? R Des poseurs de warps.

25 Q Actuellement, à 72, vous posez les warps?

R Sur 72, on pose les warps.

Q Qu'est-ce que ça veut dire, votre travail, de poser des warps? R Sur 72 staffords, les

warps durant trois ou quatre mois, même cinq mois; aujourd'hui, les warps durent trois semaines ou un mois, on est seul pour les poser.

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ed, insert order, with two of the following:

101, abreviada SV 101: 1

Q Vous avez combien de warps par jour à poser?

R Lundi matin de cette semaine, j'ai posé 24.

On avait l'habitude d'avoir de l'aide - le contre-maitre est mort il y a trois semaines, c'était un anglais, mais un bon garçon, il est mort il y a trois semaines - on avait deux hommes pour nous aider.

Depuis qu'il est mort, on a plus d'aide.

Q Vous n'avez pas d'aide, vous posez les warps tout seul?

R Oui, monsieur.

Q Vous êtes-vous occupé de questions ouvrières?

R Oui, monsieur, j'ai mon livre ici, si vous voulez le voir.

Q Voulez-vous nous dire quelle a été votre expérience à la filature quand vous avez représenté les ouvriers?

R Mon expérience c'est que depuis que je travaille pour la Montreal Cottons, j'ai jamais eu de mon contre-maitre un mot de reproche. L'année passée, dans le mois d'avril, mon boss m'a fait demander au bureau.

Q Comment s'appelle-t-il?

R Jack Hill.

Il dit: "M. Murray, le surintendant, veut vous voir".

Je suis allé voir M. Murray. J'ai dit: "Qu'est-ce qu'il y a?" Il dit: "Je sais pas". "Pourquoi est-ce que j'ai été slacké?" Il dit: "Je sais pas".

J'ai dit: "C'est de vous, ça?" Il dit: "C'est de M. Aird". Il a dit seulement ça: "Vas-t-en à ton ouvrage, dis à ton boss qu'il vienne ici". Je suis allé à l'ouvrage, j'ai dit au boss: "M. Murray vous demande". Je suis parti, je suis allé avec mon boss.

Ça pas pris cinq minutes; je suis revenu. J'étais pas plus avancé. J'ai été congédié pour rien, je suis allé chez nous.

J'ai été au bureaux du Gouvernement, à Montréal, voir M. Robert.

Q Qui ça? R C'est l'inspecteur des textiles pour la province de Québec. J'ai été voir M. Robert. Il a toujours dit depuis que je fais partie de l'Union: Si la compagnie vous donne du mal, tu viendras me voir.

J'ai dit à M. Robert: "Je suis suspendu". Il a téléphoné à M. Aird, j'ai pas entendu parler de rien, peut-être que M. Aird le savait pas.

Q Avez-vous été réinstallé? R Au bout de deux semaines.

Q Qui vous a appris que vous étiez réinstallé?

R Pas un mot.

Q Qui vous l'a dit? R Ils m'ont

fait demander. Le vendredi, ils m'ont fait demander chez nous, j'étais pas chez nous, j'étais à Beauharnois. Ils m'ont dit d'aller prendre mon ouvrage le vendredi matin par l'entremise de M. Robert. J'ai été le lundi matin.

Q Vous avez continué? R J'ai continué.

Q Vous n'avez jamais été dérangé depuis ce temps-là? R Pas depuis ce temps-là.

Q Quand est-ce que c'est arrivé?

R C'est arrivé, au commencement d'avril de l'année passée, la première semaine d'avril, si je me trompe pas.

Q Maintenant, M. Pilon, voulez-vous nous parler de la température dans le moulin?

R Je vais parler pour mon département.

Q Parlez pour votre département?

R On avait 90 de chaleur.

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Pilon

Q Quand? R Cet hiver.

Q 1936? R 1936.

Q 80 degrés de chaleur, au printemps, 1936?

R Le thermomètre est monté jusqu'à 90, c'était trop chaud pour les ouvriers. L'humidité est montée à 70, 75, l'eau coulait sur les murs. On a averti, ils nous ont dit qu'on ruinaît du coton pas mal difficile.

Q Vos habits étaient-ils sur les murs?

R Oui, monsieur.

Q Accrochés? R Accrochés.

Q Vous dites qu'il y avait de l'eau après les murs?

R Il y avait de l'eau qui coulait sur les murs.

Q Quand vous parties le soir, qu'est-ce qui arrivait? R Notre linge était tout trempé.

Q Qu'est-ce que vous avez fait?

R Qu'est-ce que vous voulez qu'on fasse. On a porté plainte à nos boss; ils ont dit: "Le coton est méchant, au printemps, ça va aller mieux."

Q Comment les ouvriers enduraient-ils cela?

R Ils enduraient pour pas perdre leur position, on voulait pas perdre nos positions.

Q Au point de vue santé? R Les ouvriers se plaignaient tous.

Q Etes-vous allé vous plaindre vous-même?

R Je l'ai dit souvent au contre-maitre.

Q Etes-vous allé pour vous plaindre de la température au grand bureau? R Non.

Q Au petit bureau? R Au petit bureau, j'ai dit ça à mon boss pas rien qu'une fois que c'était trop humide.

1. The first

2. The second

3. The third

4. The fourth

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27. The twenty-seventh

28. The twenty-eighth

29. The twenty-ninth

30. The thirtieth

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32. The thirty-second

33. The thirty-third

5336

Pilon

M. LE COMMISSAIRE: A qui?

LE TEMOIN: Jack Hill. Il l'a fermé un peu. De nuit, on a 45 livres d'humidité; le jour, 60 livres.

PAR ME BEAUREGARD:

Q Avez-vous connaissance que l'inspecteur Robert soit veny ici au sujet de l'humidité?

R Oui, monsieur, il est venu, il l'a fait remarquer à M. Aird, l'eau coulait sur les murs.

Q Avez-vous eu connaissance, vous, de la visite de l'inspecteur? R Oui, je lui ai parlé moi-même, il était avec monsieur Aird; Je pense que c'est dans le mois de janvier ou février.

Q Avez-vous été averti de sa visite?

R Non; je pense que la compagnie l'a été avertie.

Q Comment, ça? R Ils ont tout fait cleaner, arranger ça propre.

Q Ils se sont fait la barbe pour recevoir l'inspecteur? R Précisément comme nous autres quand on vient à la Cour, on se rase pour venir à la Cour. Ils ont fait pareil.

CONTRE-INTERROGE PAR LE BAILLIYME:

Q Maintenant, Monsieur Pilon, vous avez fait quelques accusations. Je veux qu'elles soient précisées exactement?

R J'ai fait serment, tu me feras pas dire autrement, toi, non plus.

Q Dans quel département travaillez-vous?

R Louise Mill.

Q A quel étage? R Cinquième plancher.

Q Vous avez dit qu'on vous a fait chômer deux semaines? R Oui, monsieur.

Q A quelle date? R Au commencement d'avril, je peux pas dire au juste, la première semaine, he pense. Je peux me tromper.

Q De cette année? R Non.

Q Quelle année? R L'année passée, 1935.

Q 1935? R 1935.

Q Etiez-vous seul à être slacké?

A J'ai été averti par un de ceus qu'ils ont clairés, on a été trois qu'ils ont slackés pour la même chose.

Q Quelle personnes? R Baptiste Lafleur. M. Jodoin et Baptiste Lafleur.

Q M. Jodoin? R Oui.

Q Son premier nom? R Wilfrid Jodoin.

Q Et, l'autre personne? R Jean-Baptiste Lafleur.

Q Qu'est-ce qui vous a donné des instructions de chômer deux semaines? R Le contre-maitre.

Q Qui? R C'est mon contre-maitre, Jack Hill. Seulement, ça venait des ordres de ses supérieurs. Lui, il était rien que le premier boss.

Q Est-ce que c'est Monsieur Hill qui vous a dit de chômer? M. Hill a dit: "Je suis obligé de vous envoyer deux semaines".

Q Personne d'autres? R Non, personne d'autres.

Q Je croyais que vous aviez dit que c'était M. Sheridan qui vous avait dit cela?

R Il a dit cela en anglais: "loaf a couple of weeks".

M. LE COMMISSAIRE: Est-ce qu'il vous a dit pourquoi?

LE TEMOIN: Non, il a pas dit pourquoi.

... et une autre ...
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PAR ME BALLANTYNE:

Q Ils ne vous ont pas donné de raison?

R Ils m'ont pas donné de raison. Je le savais qu'est-ce que c'était; personne qui me l'a dit, je le savais.

ME HEWARD: Rien expliqué?

LE TEMOIN: Non. Quand un homme travaille 28 ans, comme moi, qu'ils l'envoient deux semaines pour rien, c'est pas mal choquant.

PAR ME BALLANTYNE:

Q Qui est-ce qui vous a dit que vous seriez clairé si vous faisiez partie de l'Union?

R Personne m'a dit que j'étais pour être clairé. Ils ont dit, les ouvriers: "Fais attention, tu vas être suspendu".

Q Qui vous a dit cela? R Des hommes.

Q Donnez-moi des noms? R Je peux vous donner des noms. Ils m'ont dit ça au sous-basement de l'Eglise. Edmond Trépanier m'a dit ça et M. Jodoin: "Vous allez être suspendu".

Q Qui est-ce ce M. Trépanier? Est-ce qu'il travaille au moulin.

R Il travaille au moulin, c'est un arrangeur de métiers, il travaille pour M. Samson.

Q Est-ce qu'il était un ouvrier, un "second hand"?

R Un arrangeur de métiers.

Q Vous avez dit qu'il faisait une chaleur de 90 degrés? R Oui, monsieur.

Q L'hiver passé? R Oui, monsieur.

Q A quelle époque? R L'hiver passé, au mois de janvier, février et mars.

Q Pour tous les trois mois?

THE NEW BRIDGE

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Q Ca pouvait baisser à 85.

Q La moyenne était de 90?

A 85, 90.

Q Pour les trois mois? R Ca, je l'ai

pas vu à tous les jours au cadran; quand je m'apercevais que j'étais tout trempé, j'allais voir le cadran, 85, 90.

Q La moyenne? R 80, 90.

Q En 1936? A 1936.

Q L'hiver passé? R Oui, monsieur.

Q Vous avez dit que M. Trépanier était arrangeur de métiers? R Oui, monsieur.

Q Il n'était pas ni foreman, ni "second hand"?

R Non.

Q Ce n'est pas une autorité?

R Non, il a entendu dire ça par une autre, comme moi. Lui, c'est un autre qui lui avait dit ça.

Q C'est seulement M. Trépanier qui vous a dit ça?

R Oui, monsieur.

Q Maintenant, M. Robert, à quelle date est-il venu au moulin? R M. Robert, quand j'ai été à son bureau, a téléphoné à M. Air.

Q A Montréal? R A son office.

Q Quand est-il venu pour faire son inspection?

R J'ai pas pris la date, c'est cet hiver.

Q Cet hiver? R Dans le mois de janvier, je pense.

M. LE COMMISSAIRE: Cette année?

LE TEMOIN: Cette année.

PAR ME BALLANTYNE:

Q Alors, vous avez dit qu'à sa visite la compagnie a été avertie? R Ca avait l'air de ça.

Le compte de l'année 1951
a été soumis à l'audit
de la firme de comptables
R. B. Brydie & Co.

et les résultats ont été
trouvés satisfaisants.

Les comptes de l'année 1951
ont été soumis à l'audit
de la firme de comptables
R. B. Brydie & Co.

Le 15 Mars 1952

R. B. Brydie & Co.

Comptables

Les comptes de l'année 1951
ont été soumis à l'audit
de la firme de comptables
R. B. Brydie & Co.

Le 15 Mars 1952

et les résultats ont été
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Les comptes de l'année 1951
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Le 15 Mars 1952

R. B. Brydie & Co.

Comptables

Les comptes de l'année 1951
ont été soumis à l'audit
de la firme de comptables
R. B. Brydie & Co.

Le 15 Mars 1952

et les résultats ont été
trouvés satisfaisants.

Ils ont tout fait balayer, laver tout.

Q Savez-vous si la compagnie a été avertie, de

5 votre propre connaissance? Est-ce que vous le savez ou non? R Quand on est pour avoir

de la visite, on nettoie, on ouvre les châssis.

Q C'est ça? R C'est ça.

Q Quand cela, au mois de janvier?

" Dans le mois de janvier ou février.

10 Q Est-ce qu'il y a d'autre chose qui vous fait dire que la compagnie avait été avertie de la visite de M. Robert, à part d'ouvrir les fenêtres?

R C'est comme chez vous quand vous attendez de la visite, votre femme va faire le ménage un peu.

15 M. LE COMMISSAIRE: Répondez donc à la question.

PAR ME BALLANTYNE:

Q Qu'est-ce qui vous fait dire, à part d'ouvrir les fenêtres, qu'est-ce qui vous fait dire.

R On mettait tout propre, on balayait les planchers

Q Est-ce qu'on cleanait d'une façon spéciale ou comme d'habitude? R D'une manière

20 spéciale.

Q D'une manière spéciale? R Oui, monsieur.

" Est-ce qu'on a mis des hommes pour travailler pendant la journée pour faire le cleaning?

15 R On a mis des hommes pour faire le cleaning, d'autres hommes ont surveillé.

Q Est-ce qu'on a l'habitude de travailler comme ça pendant la journée pour faire le cleaning?

R Non, monsieur.

Q C'était quelque chose d'extra?

30 R Quelque chose d'extraé

The first thing I noticed when I stepped out of the car was the cold air. It was a sharp contrast to the warmth of the car. I looked around and saw a few people walking on the sidewalk. They were all dressed in winter clothes. I felt a little out of place. I had never been to this city before. I was a little nervous. I was alone. I was a stranger. I was a little lost. I was a little confused. I was a little scared. I was a little sad. I was a little lonely. I was a little lonely.

I was a little lonely. I was a little sad. I was a little scared. I was a little confused. I was a little lost. I was a little nervous. I was a little out of place. I looked around and saw a few people walking on the sidewalk. They were all dressed in winter clothes. I felt a little out of place. I had never been to this city before. I was a little nervous. I was alone. I was a stranger. I was a little lost. I was a little confused. I was a little scared. I was a little sad. I was a little lonely. I was a little lonely.

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Q Ca serait cette année? R Oui.

Q Janvier? R Janvier ou février,
j'ai pas pris la date.

Q Maintenant, ça peut être janvier ou février?

R Janvier ou février.

Q Vous jurez qu'ils ont fait quelque chose
d'extra pour cleaner? A Oui, monsieur.

Q Pour cleaner la chambre? R Oui, monsieur.

Q Est-ce que c'est la seule fois que c'est arrivé
qu'ils ont mis des nettoyeurs pour faire le nettoyage
pendant la journée? A Pendant la journée, oui.

Q Une seule fois? R Une seule fois.

Q Est-ce qu'on a construit dans votre départe-
ment ou dans le département voisin, une chambre
où vous pouvez mettre vos habits, une chambre?

A En bas dans un autre département, au quatrième.
M. Wilkins.

MR BALLANTYNE: Qu'il plaise à votre Seigneurie, je
voudrais bien garder mon droit de transquestionner
ce témoin plus tard parce que j'en n'est pas ici les
renseignement qui me permettent de "checker" ce
qu'il a dit.

M. LE COMMISSAIRE: Plus tard, cet après-midi?

M. LE COMMISSAIRE: quand vous demandez de transques-
tionner, voulez-vous dire ici ou à Montréal.

MR BALLANTYNE: Si nous n'avons plus de séances ici,
nous pourrions le faire aller à Montréal.

M. LE COMMISSAIRE: Nous verrons. Pour le moment, vous
n'avez pas d'autres questions?

PAR MR BALLANTYNE:

Q Vous n'avez pas d'autre chose à dire?

A Non.

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Q Avez-vous le droit de vous servir de cette chambre dans le département voisin pour mettre vos habits?

R Il y a pas de place pour tous; nous autres, les arrangeurs de métiers, on met pas notre linge là.

Q Combien de personnes y a-t-il dans votre département?

R 25 à peu près.

Q 25, et, dans l'autre département où se trouve la chambre pour mettre les habits, combien de personnes?

R Une quinzaine, j'ai pas compté ça, une quinzaine.

Q Une quinzaine?

R Une quinzaine, ou 18.

Q Quelle est la largeur de cette chambre pour mettre les habits?

R Je l'ai pas mesurée.

Nous autres, on met pas notre linge là. Dans le moment il y a pas de place pour nous autres.

Q Vous jurez cela?

R Il y a pas de place.

Q Vous êtes bien sûr?

R J'ai été appelé pour dire la vérité, J'ai dit la vérité, ça s'est bien arrangé.

(Page 5340 follows)

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MRE RAYMOND:

Pour compléter l'enquête concernant les conditions d'humidité dans l'usine et l'absence de vestiaire, je voudrais mettre au dossier deux lettres que j'ai reçues moi-même de l'inspecteur Monsieur Robert.

Je vais les lire:

" Montréal, 31 janvier 1936.

" Me Maxime Raymond,

" 59 Ouest, rue St. Jacques,

" Montréal.

" Monsieur,

" Au cours du mois dernier, vous m'aviez communiqué une plainte de la part des ouvriers de la Montreal Cottons Limited, de Valleyfield, et particulièrement de deux qui sont employés dans le département du tissage, au moulin Louise, à l'effet que l'humidité se répandant dans l'atelier à cause du quintage des murs, est préjudiciable à leur santé.

" A cause de maladie, j'ai été dans l'obligation de différer l'enquête qui s'imposait, et finalement, le 23 courant, j'ai visité cette filature et constaté que la plainte était fondée. J'ai bien remarqué les bâtements des employés suspendus à ces murs humides et exposés aux poussières, devant être peu confortables et même malsains à revêtir à la sortie de l'atelier.

" J'ai donc recommandé à la direction de cet établissement les améliorations requises pour empêcher cette humidité, mais il ne sera pas possible de faire ces travaux avant l'été. J'ai aussi ordonné la construction d'un vestiaire

Il y a eu une grande réunion à la mairie de la ville de Paris, le 15 mai 1944. On y a discuté de la situation de la France et de la nécessité de la libérer. Les participants ont été très nombreux et très enthousiastes. Ils ont décidé de continuer la lutte jusqu'à la victoire.

Les participants ont été très enthousiastes. Ils ont décidé de continuer la lutte jusqu'à la victoire. Les participants ont été très enthousiastes. Ils ont décidé de continuer la lutte jusqu'à la victoire.

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"convenable pour ranger les vêtements des em-
"ployés, ce qui, je l'espère, sera fait incas-
"samment.

"Espérant que ceci sera trouvé satisfaisant
"et vous remerciant de votre intervention, je
"demeure, Monsieur,

" Votre dévoué,

"L'inspecteur en chef.

" ALFRED ROBERT "

PAR M. LE COMMISSAIRE. Quelle est la date?

M. LE COMMISSAIRE. Le 31 janvier 1936.

Et les travaux n'ayant pas été faits, je suis revenu
à la charge et j'ai reçu une autre lettre en date du
3 mars 1936, se lisant comme suit:

" Montréal, 3 mars 1936.

"Me Maxime Raymond,

"59 ouest, rue St. Jacques.

"Montréal.

"Monsieur,

"Pour faire suite à ma lettre du 3
" janvier, je dois vous dire que j'ai eu ce ma-
"tin une conversation téléphonique avec Monsieur
"Aird, de la Montreal Cottons Limited, de Valley-
"field, et je suis donc heureux de vous apprendre
"que la construction d'un vestiaire pour les em-
"ployés va commencer sans plus tarder.

" Bien à vous,

" L'inspecteur en chef,

" ALFRED ROBERT "

Je demanderais de produire ces deux lettres
ensemble comme pièce 313.

EXHIBIT 313: Lettre en date du 31 janvier
1936 et 3 mars, 1936, adressées
à M. Raymond par Alfred Robert.

• 1954-55 12 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844,

[illegible]

5 M^{RE} BEAUREGARD: Voici, qu'il plaise à la Cour,
deux témoins ont été entendus devant cette Commission
nier, qui ont prononcé le nom de M. l'Abbé Downs,
relativement à une certaine entrevue avec les autorités
de la filature Montreal Cottons, et les représentants
officiels du Gouvernement, du département du Travail.
Monsieur l'Abbé Downs sur le rapport de ces témoignages
a exprimé le désir de faire devant cette Commission,
une déclaration, si la Commission le permet, et M.
10 l'Abbé Downs est ici pour faire cette déclaration.

M. LE COMMISSAIRE: Très bien.

M^{RE} BEAUREGARD: M. l'Abbé Downs, si vous voulez
annoncer votre qualité.

15 M. L'ABBE DOWNS: Je suis aumonier de l'Association
Catholique Ouvrière de Valleyfield, et je remercie
la Cour du privilège qu'elle me fait.

PAR M. LE COMMISSAIRE: Puisque c'est pour corriger
le témoignage des autres témoins, il faudrait peut
être l'assermenté.

20 M. L'ABBE DOWNS. Ce serait dans l'ordre.

M. LE COMMISSAIRE: L'ABBE JOHN DOWNS.

Lequel témoin est assermenté.

Je remercie la Cour du privilège qu'elle me fait
de pouvoir cette après midi faire une mise au point.

25 Deux témoins hier ont parlé d'une entrevue à
Montréal, à laquelle e entrevue j'étais présent.

PAR M. LE COMMISSAIRE: En quelle qualité?

30 LE TEMOIN: Comme aumonier de l'Association Ca-
tholique Ouvrière de Valleyfield. J'allais moi même
prendre les intérêts des ouvriers relativement à
des griefs qu'ils avaient concernant la Manufacture

La Cour de privilège de l'île de Saint-Pierre.

PAR M. LE COMMISSAIRE: Requête d'act pour contraindre le témoignage des autres témoins, il faut en faire une autre l'assure.

M.L.'S. 9800. To assist in the

le remède la Cour du Privy Council ne peut
pas avoir cette action sans une loi.

next remains his own part of the evidence
involving the alleged evidence of the witness.

oligosaccharides de Valerianella. Valerianella moi...

de Coton.

Nous devions rencontrer Monsieur St-Onge, il nous est arrivé dans le corridor, il m'a introduit chez Monsieur Arcand. Les deux ouvriers avec nous était M. Leroux et Monsieur Leduc. Ceux-ci ont attendu dans le corridor, et après les salutations d'usage, est entré Monsieur Gordon et Monsieur Aird, Monsieur Aird ici présent.

Monsieur Arcand nous a expliqué son attitude vis à vis des ouvriers, pour expliquer les connaissances qu'il avait des manufactures de coton, il nous a dit que lui même y avait travaillé nombre d'années, et cela a pris du temps, C'est ce qui explique que nos ouvriers ont dû attendre dans le corridor. Je tiens à dire tout de suite, que ce qui a été fait à huit clos, ne concernait nullement les employés ni la Montreal Cotton, et lorsque Monsieur Tremblay, sous-ministre du travail a demandé de présenter les griefs, je les ai moi même présenté, parce- que nous les avions en écrit sur des feuilles, nous avions même plusieurs feuilles, que nous avons distribué à ceux présents, je nomme, Monsieur Arcand, Ministre du Travail, Monsieur Tremblay, Sous Ministre, Monsieur St-Onge, moi même, Monsieur Arcand et Monsieur Gordon.

Quelques instants après est entré Monsieur Robert, et je vois d'ici que le premier grief en question était le travail excessif imposé à l'usine, et après lecture faite par Monsieur Tremblay de ce grief, Monsieur Arcand m'a posé une question à moi même, j'ai répondu à Monsieur Arcand: nous avons avec nous deux hommes du métier, moi même je ne suis

ouvrier, c'est pourquoi nous avons amené deux témoins qui eux connaissent très bien le travail, et qui pourront vous donner le renseignement. On a continué à lire encore, je suis allé vers auprès de Monsieur St-Onge, pour lui dire, que si on continuait la discussion des griefs sans les témoins, je lui ai dit: je sors, car mon évêque ne me permet pas de prendre la responsabilité des réponses données positives ou négatives. A cet instant Monsieur Arcand a fait entrer Monsieur ~~Frankx~~ Leduc et Monsieur Leroux, et c'est à ce moment qu'ont commencé les discussions des griefs proprement dits.

Voici ce que j'ai à déposer.

-o-o-o-o-o-o-o-o-o-o-

GONTRAN SAINTONGE. Avocat, C.R.

LEQUEL témoin est assermenté:

Comme la Cour en a eu connaissance hier, j'ai demandé ce privilège de témoigner pour rectifier certaines dépositions faites par les témoins Leduc et Leroux, au sujet de cette fameuse entrevue avec l'Honorable Ministre du Travail à Montréal le 20 mai 1935.

J'étais à Québec dans le temps, en session, lorsqu'il y a eu certains alaises à Valleyfield, On m'apprit par téléphone que Monsieur Leduc, Monsieur Leroux, Monsieur Edmond et Monsieur Major, je crois avaient perdu leurs emplois, en me donnant comme raisons au téléphone, qu'ils avaient perdu leur emploi à la filature de coton, parce qu'ils étaient par-

tie de l'Association Ouvrière Catholique de Valleyfield.

Je ne me rappelle pas qui m'a appelé à Québec à ce moment là, mais c'est probablement un des officiers de l'Association, qui me fit part qu'il avait eu durant la semaine une entrevue avec Monsieur Gordon à Montréal, et un représentant du département du Travail, à Ottawa, que je ne connaissais pas, dont je ne me souviens pas le nom, mais qu'enfin on désirait obtenir une entrevue avec l'Honorable Ministre du Travail.

Immédiatement je vis l'Honorable Monsieur Arcand à Québec, et je lui fis part de ce qu'on m'avait dit au téléphone, et Monsieur Arcand immédiatement a télégraphié à Monsieur Gordon pour lui demander de le rencontrer à son bureau à Montréal le lundi suivant, le 20 mai. Je crois que le télégramme de Monsieur Arcand à Monsieur Gordon était en date du 16 mai 1935.

Maintenant au téléphone, je dis à cet officier de l'association, qui me parlait, je crois que je l'ai rappelé pour lui faire part de la nouvelle, et lui ai dit que je ne savais pas si je pourrais les rencontrer à Valleyfield pour aller avec eux à Montréal, car la session s'est terminée le 18 mai, un samedi. Alors je ne me rappelle pas si je suis arrivé durant la nuit ou le dimanche matin, toujours est-il qu'à onze heures le lundi matin, j'étais rendu à Montréal, au nouveau Palais de Justice, au bureau de l'Honorable Monsieur Arcand.

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Saintonge.

J'ai rencontré dans le corridor Monsieur l'Abbé
Downs, aumônier de l'Association, accompagné
de Monsieur Leroux et Monsieur Leduc, je crois qu'il
y avait aussi Monsieur Joseph Major, qui était le
président général de l'Association.

Je l'ai salué immédiatement. J'ai frappé à la
porte de l'Honorable Arcand, pour voir s'il était à
son bureau, il me répondit aussitôt, m'invitant à
entrer. J'ai dit à Monsieur Arcand que j'étais pré-
sent avec Monsieur l'Aumônier et les ouvriers de Val-
leyfield au sujet de cette entrevue qu'il avait convo-
quée pour le matin même à 11 heures.

Lorsque je dis à Monsieur Arcand que Monsieur
l'Aumônier m'accompagnait, il dit: faites le entrer
dans mon bureau. Me conformant à son ordre je le
fis entrer, je le présentai à monsieur Arcand, et là
on a commencé à engager une conversation amiable.

Lorsque Monsieur Aird et Monsieur Gordon entrèrent,
les présentations se firent, on se serra la main.

Monsieur Arcand suggérait qu'il était important
que le sous ministre du Travail Monsieur Tremblay
fut aussi appelé. Monsieur Arcand ordonna à son se-
crétaire Monsieur Fournier, d'appeler Monsieur Arcand,
et quelques instants se passèrent, et Monsieur Tremblay
arriva dans le bureau.

Monsieur Arcand était à nous raconter sa vie d'ou-
vrier, alors qu'il travaillait pour le C.P.K. aux usines
Angus, qu'à ces usines il y avait un comité de shop
qui existait, pour le bien être des ouvriers et de
l'employeur, nous ne l'interrompons pas, nous le lais-

sions parler.

Après que Monsieur Arcand eut fait ce petit discours, nous racontant ses prouesses lui même, lorsqu'il disait qu'il avait fait partie de ce comité de shop, des intérêts qui existaient entre les employés et l'employeur.

Monsieur l'Abbé Downs qui avait en mains une copie de cette lettre, je parle de la lettre qui a été produite hier, et dont Monsieur Raymond a donné la lecture, à la page 5156.

Comme le disait Monsieur l'Abbé Downs, il s'est fait une distribution de cette lettre, et une copie a été remise à moi même, à Monsieur le Ministre Arcand, à Monsieur le sous-ministre Tremblay, et je crois aussi à Monsieur Aird et à Monsieur Gordon.

Monsieur Arcand nécessairement a pris connaissance de cette lettre qui exposait les griefs, et après l'avoir lue, c'est alors que nous aurions questionné je crois Monsieur l'Aumonier à ce sujet, M. l'Aumonier répondit: je ne connais rien des conditions de travail dans l'usine, si ce n'est que par oui dire, de ce qu'on me raconte.

Là dessus Monsieur Tremblay est intervenu et dit à Monsieur Arcand: nous avons justement la visite des ouvriers pour discuter ces griefs.

C'est alors que les ouvriers entrèrent: M. Leroux et Monsieur Leduc. Je crois que Monsieur Major le ^{et M. Edmund} président, n'ont pas entré, pour quelles raisons, je l'ignore.

Les dits griefs furent discutés en leur présence. C'est pourquoi je proteste fortement, lorsqu'on est venu dire que le tout s'était fait à huit clos, et qu'on avait semblé tramer Monsieur l'Aumonier et

moi même, et monsieur le Ministre à Travail, nous avons semblé tramer quelque chose dans le dos des ouvriers.

Les griefs ont été discutés en leur présence, et je crois qu'après avoir discuté, on en vint à prendre le cas particulier de ces messieurs, qui avaient été desitués de leur emploi.

On discuta premièrement le cas de Monsieur Leroux, et même je crois que Monsieur Arcand a eu des mots assez aigredoux avec ce monsieur, là dessus l'Honorable Ministre s'enquerra de ce qui était arrivé, et Monsieur Aird fit lui même à Monsieur Leroux cette remarque: n'est-il pas vrai qu'il est arrivé dans le passé que vous étiez notre employé, et que vous avez laissé de vous même, sans qu'on vous mit à la porte, et sans que vous nous donniez d'avis, pour opérer un commerce d'électricité dans Valleyfield. Il a admis que c'était vrai. Monsieur Aird a dit alors à Monsieur Leroux, si c'était son pour vous de ne pas nous aviser, pourquoi exigez-vous de nous que nous vous donnions un avis quand votre travail est terminé, et qu'on a plus besoin de vos services. C'est là dessus que M. Leduc a fait grand état en disant que l'Honorable Arcand avait dit: "Charbonnier est maître chez soi", et M. Arcand lui a dit: Bien Monsieur Leroux si la chose était bonne pour voir d'avoir abandonné votre emploi de vous même sans donner aucun avis, pourquoi exigez-vous que la filature de coton qu'elle vous donne aussi un avis, c'est la rectification que fit Monsieur Arcand.

Quant à Monsieur Leduc, l'on passa à son cas et on discuta la raison qui avait motivé son renvoi.

5349

Saintonge.

Il fut question qu'il avait été pris à dormir sur son ouvrage, Monsieur Leduc donna comme excuse que la veille il avait été à une conférence, il dit qu'on lui donna pour raison qu'il avait trop parlé. Je n'en ai aucune ~~personnelle~~ connaissance personnelle.

Pour clore la discussion, nous étions là pour obtenir quelque chose de concret pour les ouvriers de Valleyfield, pour arriver au meilleur système possible entre l'employeur et les employés.

Monsieur Arcand qui avait déjà jeté, posé le joint au début de la conversation s'est tourné du côté de M.Aird et de M.Gordon, et leur dit: Pourquoi n'amenez-vous pas chez vous un comité de shop, à Valleyfield. C'était l'arrière pensée de Monsieur Arcand au début de la conversation.

Alors Monsieur Aird et Monsieur Gordon, après certaines discussions avec Monsieur Arcand, de même qu'avec Monsieur Tremblay, convinrent d'accepter un comité de shop, ce qu'on appelle en anglais: "joint industrial board".

PAR M.LE COMMISSAIRE: Comité d'usine.

LE TEMOIN: Oui, - Monsieur Aird et Monsieur Gordon sortirent les premiers, l'entrevue étant terminée, et là Monsieur Tremblay s'approcha de moi et des autres, et Monsieur Tremblay nous dit: vous venez de rapporter une grande victoire, parce qu'à ma connaissance, dans la Province de Québec, jusqu'à maint nant, aucune industrie textile n'a encore eu ce qu'on appelle un "comité de shop", un comité d'usines, et subséquemment..

PAR M.LE COMMISSAIRE: Est-ce que ça existe?

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Me. Beauregard: Je n'en ai pas entendu parler encore.

PAR M. LE COMMISSAIRE: Est-ce que cette lettre contenant les plaintes a été produite.

M. BEAUREGARD: Oui, elle est produite.

PAR M. LE COMMISSAIRE: Cette lettre là donne les plaintes?

LE Témoin: Oui, l'Honorable Arcand avait ces plaintes devant lui. - Subséquentement j'avais le plaisir de recevoir de Monsieur Aird la nomination des employés qui composaient ce Joint Industrial Board. Je ne sais pas si Monsieur Aird aurait objection à produire ce documents, liste des employés formant partie de ce comité.

M. AIRD: Je n'ai aucune objection.

LE Témoin: Pour être exact, à son retour M. Aird demanda à l'Association de fournir un certain nombre de noms.

PAR M. LE COMMISSAIRE: A l'Association Ouvrière?

LE Témoin: Oui, pour former ce comité. Un certain nombre de noms furent fournis, et monsieur Aird me retourna le 18 mai, la liste des membres qui composaient ce comité d'usine dont les noms sont les suivants: Achille Benley, weave-room, tisserant dans le Louise Mill. Léopold Marquer, weave room, arrangeur de métier, Gault No. 1. Marcelle Goulier, arrangeur de métier, tisserand des tisseurs, Old Mill, No. 2. Pascal Gaudet, tisserant, Louise Mill; Albert Benoit, pas d'identification, je ne sais pas si c'est un tisserant - un glasher - dans le Gault Mill.

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Mtre Beauregard.

Q Voulez-vous produire cette liste ?

R Je n'ai aucune objection.

PAR M. LE COMMISSAIRE. Est-ce que ce comité a fonctionné?

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LE TEMOIN: Personnellement j'ai rencontré quelques uns de ces ouvriers qui font partie du comité d'usine, ils m'ont dit qu'ils avaient été appelés en différentes occasions, - combien de fois, je l'ignore, on m'a dit qu'ils avaient obtenu des résultats.

10

Moi même je suis fier du succès que j'avais obtenu, pour le bien être de l'Association des Ouvriers de Valleyfield. Je leur ai dit: maintenant que vous avez ce comité, servez-vous en, c'est à vous de vous en servir, c'est le conseil que je leur ai donné, - si vous voulez bien vous en servir je suis certain que vous réussirez à obtenir remède à beaucoup de vos griefs.

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Mtre BEAUREGARD.

Q Voulez-vous produire cette liste comme exhibit 314?

20

R Je n'ai pas d'objection.

EXHIBIT 314. Liste des employés formant partie du "Joint Industrial Board"

PAR M. LE COMMISSAIRE: J'aimerais à savoir si ce comité a continué, s'il donne satisfaction.

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Est-ce qu'il y a quelqu'un de ses membres dans la salle.

Mtre BEAUREGARD: Y a-t-il ici quelqu'un des membres, soit Monsieur Henlgy, Léopold Mercier..

LE TEMOIN: M. Achille Henley est ici.

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Mtre BEAUREGARD: Léopold Mercier, Hercule Poirier, Raoul Daoust, Albert Benoit.

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MTRE BEAUREGARD: Je ne vois que Monsieur Achille Henley on pourra le faire entendre.

LE TEMOIN: Je ne sais pas si le télégramme convoquant cette entrevue, par M. Arcand, aurait quelque importance.

PAR MTRE BEAUREGARD: Vous êtes allé, l'entrevue a eu lieu.

PAR MTRE BEAUREGARD. Ce n'est pas nécessaire.

LE TEMOIN: Je tenais surtout à dissiper cette impression qu'on pouvait avoir laissé dans l'esprit de la Cour ou du public, que lors de cette entrevue, Monsieur l'Aumonier et moi même avions failli à notre devoir, et que nous n'avions pas agi dans le meilleur intérêt des ouvriers.

Je vous remercie du privilège que vous m'avez accordé.

- O-O-O-O-O-O-O-O-O-O-O-O-O-O-O-

ACHILLE HENLEY.

LEQUEL témoin est assermenté.

INTERROGE PAR MTRE BEAUREGARD.

Q Monsieur Henley quel âge avez-vous? R Quarante ans.

Q Vous travaillez à la filature de coton? R Oui, monsieur.

Q Depuis combien de temps? R Trente et un ans.

Q Quelle est votre occupation? R Weaver.

Q Depuis les dernières années? R Trente ans.

Voici, êtes-vous Achille Henley, tisserand du moulin Louise Mill, mentionné dans un document produit devant cette Cour comme pièce 314, lequel document

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Je ne vois pas de Monsieur achiller
Henley on compte la même entente.

Il faut le faire avec la loi
durant cette période, par la suite, s'il y a
portance.

Il y a une loi, l'ordonnance
à la fin.
Par la suite, on n'est pas obligé.

La loi est la même, on n'est pas obligé
l'ordonnance, on n'est pas obligé, mais dans l'ordonnance
de la loi, on n'est pas obligé, mais dans l'ordonnance.

Par la suite, l'ordonnance et la loi
ont le droit, et les lois n'ont pas le droit
meilleur intérêt des citoyens.

Je vous remercie de l'information que vous m'avez
fournie.

La loi, l'ordonnance et la loi
ont le droit, et les lois n'ont pas le droit.

Vous trouverez à la fin de l'ordonnance
non signé.

Après combien de temps, à l'ordonnance
celle-ci est la même, l'ordonnance.

Après la loi, l'ordonnance et la loi
ont le droit, et les lois n'ont pas le droit.

Après la loi, l'ordonnance et la loi
ont le droit, et les lois n'ont pas le droit.

Après la loi, l'ordonnance et la loi
ont le droit, et les lois n'ont pas le droit.

est intitulé: "Joint Industrial Board Shop Committee",
"Comité de boutique ou d'usine, comité d'industrie
conjoint? R Oui, monsieur.

5 Q Avez-vous eu connaissance avoir reçu avis qu'un
comité comme ça avait été formé, et que vous en fai-
siez partie? R Oui.

Q Avez-vous reçu un avis correspondant à la pièce
314, que vous étiez nommé membre d'un comité avec
M.M. Mercier, Poirier, Daoust et Benoit? R Oui,
monsieur.

10 Q Qui vous a communiqué votre nomination?
R Mon premier contremaître.

Q Qui est-ce? R Jack Hill.

Q Jack Hill? R Oui, monsieur.

15 Q Vous n'aviez pas eu connaissance de la formation
d'un tel comité avant d'apprendre que vous étiez
membre du comité? R J'en avais entendu
parler.

Q Vous aviez entendu dire qu'un comité était en
formation? R Oui.

20 Q Avez-vous rencontré de Monsieur Mercier, et vos
collègues? R Oui.

Q Les avez-vous rencontrés pour les fins du comité?

R Une couple de fois, pour les fins du comité, oui.

Q Où? R A la grande office.

25 Q Qui vous a convoqué là? R Nous autres,
quand on avait des plaintes des ouvriers, en dedans.

Q Alors votre comité comme comité a été saisi
de certaines plaintes de la part des ouvriers?

R Oui.

30 Q Ces plaintes là vous êtes allés les discuter
au grand bureau, au bureau principal? R Oui,

Page 2

1. L'inspecteur a été avisé par un officier de la GRC que...

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Q Au bureau de Monsieur Aird? R Oui.

Q Ce comité paraît avoir été formé le 28 mai 1935? R Oui.

5 Q Pouvez-vous nous dire à quelle date a eu lieu la première assemblée de ce comité? R Trois semaines ou quatre semaines après la première rencontre.

Q Comment avez-vous été amené à tenir une assemblée du comité? R On a été appelé par M. Potter, M. Aird étant malade.

10 Q Comment votre comité a-t-il été amené à se réunir, comment le comité a-t-il été amené à aller chez M. Potter ou voir M. Aird? R Nous autres on a eu une assemblée d'union, on a eu des griefs.

Q Vous faisiez partie de l'Union? R Oui, monsieur.

15 Q Est-ce que les autres membres du comité font aussi partie de l'Union? R Oui, Monsieur.

Q Tous les cinq sont membres de l'Union?

R Oui, monsieur.

20 Q Est-ce qu'elle existe encore cette union?

R Oui, monsieur.

Q Et tous les membres de ce comité faisaient partie de l'Union? R Oui.

Q A l'Union vous aviez pris connaissance d'un certain nombre de plaintes des ouvriers?

25 R Oui, une couple de plaintes.

Q J'ai ici une lettre du 18 mai adressée par les ouvriers de Valleyfield à Monsieur Aird, produite comme 311, avez-vous déjà vu ce document là: intitulé: griefs venant des ouvriers travaillant à la Montreal Cottons? R Non, j'ai jamais vu ça.

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Q Vous avez jamais vu ça? R Non.

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PAR M. LE COMMISSAIRE: C'est cette lettre là
que les délégués avait apportée là bas?

M. BEAUREGARD. Oui.

Q Voulez-vous nous dire, vous rappelez-vous main-
tenant quelles sont les plaintes que les ouvriers
vous avaient chargés de porter à la connaissance des
autorités à cette assemblée, vous avez été à une
assemblée des ouvriers, après quoi votre comité s'est
réuni? R Oui, monsieur.

Q Au bureau principal en présence de Monsieur
Potter? R Oui.

Q Quelles étaient les plaintes dont vous étiez
porteur cette fois là? R A propos des arrangeurs
de métiers du cinquième étage du Louise Mill.

Q Qu'est-ce qu'ils avaient à se plaindre?

R Ils étaient trop chargés, ils avaient trop de
métiers à arranger, on est allé voir Monsieur Potter,
on a discuté ça ensemble, et le lundi matin, la
nouvelle était rendue de prendre l'ouvrage tel qu'a-
vant à 72 métiers.

Q Le changement s'est fait? R Oui.

Q Partout? R Au cinquième étage seulement.

Q Qu'est-ce qui est arrivé des autres? R On
s'en est pas occupé.

Q Votre plainte a été considérée? R Oui.

Q Y a-t-il eu une autre plainte? R On
est allé une autre fois à propos de la paye.

Q Combien de temps après la première plainte?

R Deux ou trois semaines après.

Q Aviez-vous également pris vos griefs à l'Union?

R Oui, monsieur.

Q Alors vous y êtes allés encore tous les cinq?

[illegible]

Page 61 10/10/1961 10/10/1961 10/10/1961

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the 12th time out of 100 songs, recorded and released.

[illegible]

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HENLEY

R ... Oui, monsieur.

Q ... Était-ce Monsieur Potter ou Monsieur Aird, cette fois là?

R ... Monsieur Potter, Monsieur Aird était malade.

5 Q ... Pourquoi y êtes-vous allé là? R ... C'était la question que la paye se faisait le lundi soir et les ouvriers voulaient l'avoir le vendredi soir.

Q ... Alors vous avez été porter cette plainte là?

R ... Oui.

10 Q ... Avec le même succès? R ... Oui.

Q ... Que la première fois? R ... Oui, la semaine d'ensuite on a été payé le vendredi.

15 Q ... Est-ce que l'union, les groupes d'ouvriers dont vous faites partie, vous ont chargés d'autres griefs à faire corriger là, à faire disparaître par l'entremise de votre comité industriel?

R ... Pas encore.

Q ... Connaissez-vous personnellement d'autres griefs de la part des ouvriers? R ... Pas de ce temps-ci.

20 Q ... Les salaires, parlent-on que les salaires ne sont pas élevés? R ... Dans notre partie, pas nous autres.

Q ... Qu'est-ce que vous faites? R ... Weaver.

25 Q ... Vous êtes satisfaits? R ... Oui, si on travaillait plein temps.

Q ... Vous faites des semaines courtes? R ... Oui.

Q ... De combien? R ... Trois jours par semaines depuis deux semaines.

Q ... Dans la lettre produite comme pièce 311, il y a...

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c'est quelques jours avant la formation de votre comité, un group d'ouvriers avait rédigé une lettre comme ceci: " que partout dans le moulin, les employés ont été réduits de cinq à un, par conséquent on demande à un seul employé la somme de travail que l'on demandait à cinq". - Avez-vous constaté qu'en effet une diminution considérable dans les départements avaient eu lieu, que moins d'ouvriers étaient employés qu'auparavant? R Un peu moins dans le Louise Mill.

10 Q Vous acceptez peut être pas la proportion de cinq à un, vous parlez pour le Louise Mill ?

R Oui.

Q Il y a moins de monde qu'avant? R Oui.

Q Moins d'employés? R Oui.

15 Q Maintenant, dans le filage: Autrefois dans ce département il y avait quinze employés; onze ont été retranchés; quatre restent pour accomplir le même travail".- Je comprends que ces quatre ouvriers accompliraient le travail des quinze qu'il y avait auparavant. Est-ce à votre connaissance que les
20 ouvriers ont beaucoup plus d'ouvrage? R C'est pas notre département je ne connais pas ça.

Q Vous êtes étranger à ce grief, et vous en savez rien? R Non.

25 Q A moins de faire une enquête, une plainte spéciale, vous ne le connaissez pas? R Non, j'ai jamais travaillé là.

Q Avez-vous entendu parler de ça à l'Association que les fileurs étaient moins de monde qu'auparavant?

R Non, c'est pas venu à nos oreilles.

M^{RE} BALLANTYNE. Je crois M. Beauregard, que vous n'avez pas fait aucune preuve de la personne qui a signé cette lettre.

5 M^{RE} BEAUREGARD: Elle est pas signée, c'est la lettre envoyée par le groupe.

PAR M. LE COMMISSAIRE: C'est la lettre discutée, lors de l'entrevue avec M. Arcand.

M^{RE} RAYMOND: Monsieur Airé peut dire qu'il l'a reçue.

10 M^{RE} BEAUREGARD:

Q On parle du weave woom: Le Louise Mill, c'est chez vous ça? R Oui.

15 Q "Autrefois dans ce département l'on comptait 24 tisserands, aujourd'hui l'on demande la même somme de travail alors qu'il n'en reste plus que quatre. Donc aujourd'hui les mêmes employés font six fois plus de travail pour à peu près le même salaire. - C'est correct ça, c'est exact comme c'est là?

R Oui.

Q C'est vrai? R Oui.

20 PAR M. LE COMMISSAIRE: quatre employés font le travail de vingt-quatre autrefois? R Oui.

M^{RE} BEAUREGARD.

Q Les arrangeurs de métiers connaissez-vous ça?

R Un peu.

25 Q Il y a une plainte des arrangeurs de métiers sur les "dobbies"? R C'est par mon département.

Q Seulement vous avez été parler pour les arrangeurs de métiers? R Oui.

Q Le board room êtes-vous familier avec ça?

30 R Non.

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Q A part des deux assemblées dont vous avez parlées est-ce que votre comité s'est réuni en d'autres circonstances, pour faire de l'ouvrage? R Non.

Q Ce sont les deux seules fois? R Oui.

Q Quel temps s'est écoulé entre la première et la deuxième assemblée? R quinze jours ou trois semaines.

Q Vous n'avez pas été averti que vous étiez plus sur le comité? R Non.

Q On ne vous a pas dit que le comité était fermé, ou qu'il n'existait plus? R Non, monsieur.

Q Alors ce comité ce serait réuni deux fois à quinze jours ou trois semaines d'intervalle, pour deux griefs dont vous avez parlé? R Oui.

Mtre Beauregard: On ne suggère une chose, Monsieur Heward m'a l'air de savoir par son client que la deuxième assemblée aurait eu lieu au mois d'octobre, le changement du jour de paye?

R A peu près dans ce temps là.

Q Seulement la formation du comité est du 28 mai? R Oui.

Q Quelques jours plus tard vous avez eu une première assemblée? R Oui.

Q Ça serait vers le 15 juillet? R Oui.

Q Vous avez dit que l'autre assemblée avait eu lieu quinze jours ou trois semaines après, dans la première partie de juillet, on suggère que ce serait octobre, je n'en sais rien. R Je ne peux pas dire au juste.

Q Voici, évidemment l'information de la compagnie, c'est quela compagnie, c'est que la paye a été changée du lundi au vendredi au mois d'octobre, c'est ça.

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1. A certain number of shares of the capital of the company have been sold to the public.

2. The proceeds of the sale have been applied to the redemption of the shares of the company.

3. The shares of the company have been redeemed in full.

4. The shares of the company have been redeemed in full.

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32. The shares of the company have been redeemed in full.

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vous avez dit que le changement avait été fait immédiatement? R. Oui.

Q. Etes-vous sûr de ce fait là? R. La semaine ensuite oui.

5 * Vous êtes sûr que le changement de paye a suivi votre visite? R. Oui.

Q. Et le comité s'est pas réuni à part des deux séances, c'est tout ce qui a été fait par le comité, et vous n'avez pas été avisé qu'il était mort?

R. Non.

10 * Vous avez pas été avisé qu'il était fini non plus? R. Non, mais c'est pas mal tranquille là.

ET LE DIT TEMOIN NE DIT RIEN DE PLUS.

PAGE 5365 follows.

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On the 1st day of January 1910, at the City of Toronto, Ontario, I, the undersigned, being a Justice of the Peace for the County of York, do hereby certify that the following is a true and correct copy of the report of the Committee on the Administration of Justice, as presented to the House of Commons on the 1st day of January 1910.

Witness my hand and the seal of the said County of York, at the City of Toronto, Ontario, this 1st day of January 1910.

JOHN A. McNICOLL, Justice of the Peace for the County of York.

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WILLIAM G. AIRD, Recalled,

EXAMINED BY MR. McRUER:

Q. You are producing a list of the names of parties for whom a permit has been obtained from the Minimum Wage Board to permit them to work at a lesser rate than that provided by the Minimum Wage law, is that correct?

A. Yes.

Q. And these are the names of the parties, are they, and ---

A. These are the names of the parties for the years 1933 -1934 and 1934-1935.

Q. And does this list show all the parties for whom permits have been obtained?

A. Yes.

EXHIBIT 315: List of names for whom permits obtained from the Minimum Wage Board.

MR. HOWARD: Q. Have you any explanation to make in regard to that list?

A. Well, previous to June, 1935 the Minimum Wage for the City of Valleyfield started at \$6.00 a week for the first six months and then \$7.00 for the next three months and \$8.00 for the next six and \$9.00 for the last six months.

Since then the law has been changed. In the weaving after department, what we call battery hands, were mostly all girls at that time, had earned up to a certain point - that is, 15 cents an hour, we felt we could not pay any higher than that for that class of work, either had to discharge the girls or take on new ones, and so we placed the matter before the Department in Montreal, explained our case to them and they gave

To receive and to deliver

us permits to employ these girls at the rate of 15 cents an hour.

5 THE COMMISSIONER: Q. Well, as far as I can see the Act says that the Board may issue permit on behalf of aged or handicapped. That reason did you give - because they were aged? In what way were they handicapped? A. Well, we explained ---

10 Q. What did you tell the Board? The Board must have had some representation made to them under this provision here - that is to say, that the permit was given to these particular people because either aged or handicapped? A. Well, we explained---

15 (Page 5367 follows)

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a minute to employ these girls at the rate of 12
cents an hour.
The corporation said, "Well, as far as I am concerned
the fact says that the board say I have no right on board.
of good or handicapped. What reason did you give -
because they were good? In that way were they
handicapped? Well, we explained ---
"What did you tell the board? The board said
have had some representation made to them under this
provision here - that is to say, that the parent
was given to these particular people because either
aged or handicapped? Well, we explained ---

(Page 3887 follows)

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ME BEAUREGARD:

Qu'il plaise à la Cour, un employé ne pouvait pas rester plus que six mois, c'est avant l'ordonnance du 5 août, 1935, qui n'est pas reproduit dans la codification. Avant le 5 août, 1935, les choses ne se passaient pas comme aujourd'hui. 10% des employés pouvaient être engagés à 12 cents et demie del'heure.

M. LE COMMISSAIRE: C'est après cette ordonnance?

ME BEAUREGARD: C'est après cette ordonnance, du 5 août, 1935. Avant cela, c'était chaque employé en particulier qui était régi par la loi. Un employé pouvait être employé à 12 cents et demie de l'heure, c'est-à-dire, le travail féminin; au bout de six mois, l'employée devait monter jusqu'à ce qu'elle gagnait un salaire raisonnable, au moins 17 sous de l'heure.

M. LE COMMISSAIRE: Pour atteindre cela?

ME BEAUREGARD: AUJOURD'HUI, la personne peut demeurer longtemps dans le même stage pourvu que la quantité globale de 10% dans le moulin ne soit pas dépassée. Aujourd'hui, le moulin peut garder les mêmes personnes pendant une durée, que je pourrais appeler indéfinie, pourvu que la quantité ne dépasse pas 10% du personnel, tandis qu'autrefois, chaque personne devait monter après un laps de temps. Quand une personne avait atteint un stage plus élevé et que la compagnie n'était pas prête à payer plus cher, ou bien la personne quittait son emploi, ou bien elle acceptait un salaire moindre.

M. LE COMMISSAIRE: Est-ce que cette clause-là est périmée, maintenant?

ME BEAUREGARD: Ça ne fonctionne plus parce que la

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loi a été modifiée.

M. LE COMMISSAIRE: J'ai compris, par les témoignages des jeunes filles, qu'elles avaient signé une déclaration et qu'elles travaillaient pour les mêmes conditions?

LE S'ACHÈVE: Aujourd'hui, pourvu qu'elles soient dans les 25% de celles qui peuvent recevoir moins que 17 sous, pourvu qu'elles ne soient pas plus que 25% dans l'établissement, la loi a été observée?

M. AIRD: Oui.

(Page 5372 follows)

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8 MR. BALLANTYNE: Q. Are there any of your employees now who are being paid less than the amount required by the Minimum Wage Act? A. No.

Q. None? A. No.

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Q. What is the minimum age at which you will now employ any person in the mill? A. Shortly after I came here in 1932 I issued instructions to the superintendents of the mills that they were not to engage any new help - that is, any boy or girl - at less than 16 years of age, although the law of the Province of Quebec permitted us to employ them at the age of 14.

10

THE COMMISSIONER: Q. You still stick to that?

15

A. Yes, we have nobody in our mill at the present time less than 16 years of age.

MR. McRUER: Q. This list you give us covers two years 1933-1934? A. Yes, sir.

20

Q. And I understood you to say that the reason that you made application to the Minimum Wage Board for leave to employ these parties at less than the minimum wage because it meant either discharging them and taking on new employees - or that was the only alternative, that you could not afford to pay them the minimum wage provided by the Act? A. Right.

25

Q. That is your statement? A. Yes, sir.

Q. How many of these would there be on for each year? There are 49 on the first list and 45 on the second? A. That ran from the 1st of April

30

Q. Now, you say that you have any of your

employees now who are being paid less than the amount

paid by the minimum wage?

A. Yes, in the minimum wage as which you will now

employ any person in the office?

I came in a while I issued instructions to the

employees of the office that they were not to

employ any person who is - that is, any boy or girl - at

less than the minimum wage, right?

Yes, of course. I issued instructions to the

employees of the office.

Q. Now, you say that you will stick to that?

A. Yes, we have nobody in our office at the present time

less than the minimum wage.

Q. Now, you say that you have no covers two

years 1953-1954?

A. Yes, sir.

Q. And I understood you to say that the minimum

that you were applying to the minimum wage board

for leave to employ these parties at less than the

minimum wage because it meant either licensing fees

and testing on new employees - or that was the only

alternative, that you could not afford to pay them

the minimum wage provided by the law?

A. Right.

Q. That is your statement?

A. Yes, sir.

Q. Now, many of these would there be in for each

year? There are 40 on the first list and 40 on the

second list. That was from the first list?

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to end of March, was not it?

Q. Yes?

A. The first of April, 1933

to end of March, 1934.

Q. The total number here is 94?

A. Alto-

gether?

Q. Yes. What wage did you pay them?

A. Well,

I would not like to say definitely off-hand at the moment, Mr. McRuer.

Q. You paid them less than 15 cents an hour.

Can you give me what you paid them? A. (Witness figures). To the best of my knowledge at the moment we were paying those girls last year on that list 14½ cents an hour.

Q. So that you went to all that trouble to apply for a special permit for the girls because the company could not afford to pay them half a cent an hour more, is that the case? A. Makes a greater difference than that.

Q. Well, that is what you are telling me - that you went to all this trouble to get a special permit because you say this Company could not afford to pay them half a cent an hour more? A. Did I say 15 cents, sir?

Q. You said you could not afford to pay them minimum wage and the minimum wage was 15 cents?

A. No minimum wage 15 cents last year.

Q. What was it when you got the permit? A. The minimum ---

1932

to an of the, was not it?

.. Yes? The first of April, 1932

to an of the, 1932.

.. The first of April, 1932

.. Yes?

.. Yes. How much did you pay them?

I would not like to say definitely off-hand of the

.. Yes, I would.

.. You said that it was an hour.

Can you give me that you paid them? .. (silence)

(silence). .. to the best of my knowledge at the moment

.. were paying them about last year on that first

.. about an hour.

.. So that you want to all that trouble to pay

for a special permit for the girls because the company

could not afford to pay them half a cent an hour more.

.. Is that the case? .. Makes a proper difference

than that.

.. Well, that is what you are telling me - that

you want to all this trouble to get a special permit

because you say this company could not afford to pay

them half a cent an hour more? .. Did I say

15 cents, sir?

.. You said you could not afford to pay them

minimum wage and the minimum was 15 cents?

.. No minimum wage 15 cents last year.

.. That was it when you got the permit? .. The

minimum ---

Q. What was it when you got the permit? You say you got a permit to pay less than the minimum wage.

MR. HEWARD: Which permit - last year or year before?

MR. McRUER: This is the list, I take it.

THE COMMISSIONER: This happened in 1933, did it not?

MR. McRUER: Q. This year 1933 - 1934? A. Without having the records here if we had not got that permit from the Government to operate with those battery hands we would have paid them practically 16½ cents against 14½ cents.

Q. Well then, you paid them about two cents an hour less? A. Yes.

Q. How much does that come to in the whole of a year for those girls? A. Never figured it out.

Q. Do you mean to suggest that you are truthful when you say you got it because the company could not afford to pay them two cents an hour more? A. If they kept on stepping up you would have a minimum of \$10 a week.

Q. We are not talking about what they might have done - we are talking about what they did.

MR. HEWARD: I object to that. That is a very good answer. The answer was if they were going on from stage to stage it would get to 10 dollars a week instead of six dollars. I think that is a very good answer.

MR. McRUER: Q. If who had been kept on stepping up,

Q. And was it when you got the permit? You say
you got a permit to pay less than the minimum wage.

A. Yes, sir. I got a permit - least year or year before
that. This is the first, I take it.

Q. And this happened in 1933, did it?
1933?

A. Yes, sir. This year 1933 - 1934? A. Yes, sir.
Having the records here it so had not got that permit

Q. And the minimum wage was \$10 a week, was it?
And we would have paid them \$10 a week, is that

right? Is that right?
A. Yes, sir. And this was about the same as the

Q. Yes.
A. How much more did it come to in the whole of a

year for those girls?
A. Never figured it out.

Q. Do you mean to suggest that you are treating
when you say you got it because the company could not

afford to pay them two cents an hour more?
A. If they kept on stepping up you would have a minimum

of \$10 a week.
A. We are not talking about that they might have

done - we are talking about what they did.
A. Yes, sir. I object to that. That is a very

good answer. The answer was if they were going on
from stage to stage it would get to 10 dollars a

week instead of six dollars. I think that is a
Q. If you had been kept on \$10 a week

do you mean? A. The same girl.

Q. Well, that is if they had kept on working so that they came within a category that was provided by law that you should not pay them less - that is right ---

5

MR. HEWARD: He was suggesting ---

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MR. McRUER: Q. That they would put themselves in a category that was provided by law as to what money they should have and you are pleading the poverty of this company as the reason that you should get a permit from the Government to employ them at less than the legal wage? A. There are certain limits-

Q. That is correct, the only reason you are giving

15

MR. HEWARD: I object. Let the witness answer. You said "You were pleading poverty" and he starts to answer. Please let him answer.

20

MR. McRUER: Q. Is it a fact that the only reason that you are giving for applying for the permit is on the ground that the Company could not afford to pay them what the law demands? A. There is a limit which can be paid for each operation in the mill. You cannot take a man that comes in and does a sweeping job or a woman, rather, and has been with you 12 years and give her \$15 or \$16 a week.

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Q. Will you please answer my question: The only reason you are giving for applying for the permit to pay them less than the law demands was the poverty of the company or that the company could not afford to do it? A. No, I don't admit that.

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do you want? .. The same thing.

.. Well, that is if they had kept on working as they

they were doing a country that was visited by law

in a way that was not very long ago - that is right ---

.. I am not suggesting ---

Mr. Brydie: That they would put themselves

in a country that was provided by law as to what money

they should have and you are giving the poverty

of this country as the reason that you should get a

permit from the Government to employ them at less than

the legal wage? .. There are certain limits

.. That is correct, the only way you are giving

Mr. Brydie: I object. Let the witness answer.

You said "you were allowing poverty" and he says

to answer. Please let him answer.

.. I am not suggesting that you are giving

that you are giving for applying for the permit

is on the ground that the company could not afford to

pay them and the law demands ---

limits which can be paid for each operation in the mill.

You cannot take a man that comes in and does a week's

job or a woman, rather, and has been with you 15 years

and have her \$15 or \$16 a week.

.. Will you please answer my question: The only

reason you are giving for applying for the permit

to get them down when the law demands see the poverty

of the country is that the company could not afford

to do it? .. No, I don't think so.

Q. What other reason have you to give other than the ground that the company could not afford to do it?

A. There is a limit to each operation of the mill that can be paid.

Q. Are you paying that amount now for that operation?

A. We are paying more now.

Q. Well, what was the special feature that that operation would not stand the gaff in 1933 and 1934?

A. For the simple reason that the scale set forth by the Government has been changed.

Q. Well, the Government has nothing to do with the cost of your production?

A. They have.

Q. The Government has nothing to do with what you can afford to turn out goods for?

A. Well, the way I understand that thing is this: We have got a labour department of the Quebec Government and they last year saw fit to bring down a new law and we comply with the new law 100 per cent. If they want to change that law again it is another question for the mills to conform with it or ---

Q. What I am just saying to you now - do you still say the Company could not have afforded to pay these girls the amount that the law required you to pay in 1933 and 1934?

A. If you read the law over, you will see the law is entirely changed and you will see ---

Q. All I am saying to you is that you told me you were paying the girls more now than the law demanded

Q. But other things have you to give other than

the ground that the company could not afford to do it?

A. There is a limit to each operation of the mill.

that can be paid.

Q. Are you saying that amount now for that operation?

A. As the law is now.

Q. Well, what was the special feature that in

operation would not stand the test in 1988 and 1992?

A. For the simple reason that the mills set forth

by the Government has been changed.

Q. Well, the Government has nothing to do with the

cost of your production? A. They have.

Q. The Government has nothing to do with what you

can afford to turn out goods for? A. Well, the

why I understand that thing is this: we have got

a labour department of the Quebec Government and they

last year saw fit to bring down a new law and we

comply with the new law 100 per cent. If they want

to change that law again it is another question for

the mills to conform with it or ---

Q. What I am just saying to you now - do you still

say the Company could not have afforded to pay these

mill the amount that the law required you to pay in

1983 and 1992? A. If you read the law over,

you will see the law is entirely changed and you will

see ---

Q. All I am saying to you is that you tell me

you were paying the mills more now than they were

that you should have paid them in 1934 for the same work and now all I am putting to you is: If you could afford to pay it now when the law says you must, why did not you pay it in 1933 and 1934? why did you go to work and get a permit from the government to chisel a little out of these girls. Now, what is your answer? A. Well, last year the scale of wages I tried to explain to you a few minutes ago started off \$6.00 a week, 55 hours. After six months stepped up a dollar---

THE COMMISSIONER: Q. Supposing the Government had refused your request? A. We would have complied, made the best of it, that is all.

MR. McRUER: Q. And would you have paid these girls the legal rate or have discharged them? A. I would not like to say what I would have done with them.

MR. McRUER: All right, that will do just now.

(Page 5380 follows)

that you should have paid them in 1914 for the same
work and now all I am putting to you is: If you could
afford to pay it now when the law says you must,
why did not you pay it in 1914 and 1915? Any day you
go to work and get a permit from the Government to fill
a little out of these claims. Now, what is your
answer? Well, last year two people of
whom I tried to explain to you a few minutes ago
started off \$8.00 a week, 35 hours. After six
months stopped up a dollar---
THE GOVERNMENT: A. Supposing the Government
had released your requests? A. We would have
completed, made the rest of it, that is all.
MR. ROBERTS: A. And would you have paid these
guys the same rate or have discharged them?
A. I would not like to say that I would have done
with them.
MR. ROBERTS: All right, that will do just now.

(The witness follows)

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CHARLES LEVEILLE est assermenté

INTERROGE PAR ME BEAUREGARD:

5 Q M. Léveillé, vous êtes assistant-trésorier de
la ville de Valleyfield? R Oui, monsieur.

Q Est-ce vous qui vous occupez particulièrement
des secours directs dans la ville de Valleyfield,
des allocations aux chômeurs?

10 R Oui, monsieur.

Q Je vous ai demandé, n'est-ce pas, de me préparer,
afin de la produire devant cette Commission, une liste
indiquant l'année, le mois, la population de la ville,
le nombre de personnes dans la ville secourues par les
allocations du chômage et les montants déboursés par
15 la ville? R Oui, monsieur.

Q C'est ce que démontre votre état, intitulé:
"Secours Directs, Cité de Salaberry de Valleyfield,"
pour les années 1932, 1933, 1934, 1935 et une partie
de 1936? R Oui, monsieur.

20 Q Vous avez parlé d'avoir commencé de donner du
secours direct en 1932? R 1932

Q En 1932, la ville aurait distribué \$2,076.27?

R Pour deux mois.

25 Q Vous dites pour les mois de novembre et décembre?
R 1932.

Q D'un autre côté, en 1933, la ville a distribué
\$27,901.67? R Oui, monsieur.

Q En 1934, pour les quatre premier mois

30 R C'est-à-dire, le secours a fini le premier
mai, 1934.

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CHURCH OF THE HOLY TRINITY

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Q Le secours a fini le premier mai, 1934.

Il apparaît que pour les quatre premiers mois de 1934, la ville a distribué \$13,246.55? Les huit derniers mois de 1934 et l'années 1935, c'est la Saint-Vincent-de-Paul qui a distribué les secours?

R Oui, monsieur.

Q Sont-ce des chiffres contrôlés par la ville?

R Oui, monsieur.

Q La ville se sert de la Saint-Vincent-de-Paul pour distribuer le secours ou si c'est la Saint-Vincent-de-Paul qui se sert de la ville?

R La Saint-Vincent-de-Paul se sert de la ville.

Q Ce sont des contributions volontaires?

R C'est-à-dire l'administration se fait par moi-même. On se sert du nom de la Saint-Vincent-de-Paul.

M. LE COMMISSAIRE: Est-ce que la ville paye le secours?

LE TÉMOIN: Elle ne paye pas. Elle a payé jusqu'au premier mai, 1934.

PAR ME BEAUREGARD:

Q La ville a payé jusqu'au premier mai, 1934, c'est que vous étiez assisté pour le faire jusqu'à concurrence de 2/3 par la Province de Québec qui, elle-même, recevait une allocation du gouvernement central? R C'est-à-dire que depuis le premier novembre, 1932 au premier mai, 1934, la ville a dépensé \$48,224.49.

M. LE COMMISSAIRE: Vous l'avez dépensé, cela?

LE TÉMOIN: Oui, les deux gouvernements payaient 2/3, la ville payait 1/3.

PAR ME BEAUREGARD:

Q Maintenant.....

1900

1900

Le recensement a été fait le premier mai, 1900.

Il s'agit d'un recensement général de la population de la ville.

Le village est situé à 125.250.000 mètres de la ville.

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Léveillé

LE TÉMOIN: Du premier mai, 1934 au premier 31 décembre 1934, la ville a dépensé \$3,202.99.

Pour l'année, 1935, nous avons dépensé \$13,065.34

Pour les trois mois de 1936: \$7,174.28. Nous ne recevons aucun secours du Gouvernement.

PAR ME BEAUREGARD:

Depuis 1934, vous ne recevez aucun secours du Gouvernement? R Depuis 1934, nous ne recevons aucun secours du Gouvernement.

Q Voulez-vous produire cet état comme pièce 316?

M. LE COMMISSAIRE: Tout cela indique sur la feuille les contributions des gouvernements, aussi?

ME BEAUREGARD: Non.

LE TÉMOIN: On calcule les deux tiers.

PAR LE BEAUREGARD: Vous n'avez reçu les deux tiers des déboursés indiqués à la première page?

R A la première page.

Vous n'avez reçu aucune indemnité pour les déboursés dans la seconde page? R Oui.

Q Depuis le début de 1933, la ville a assisté 20,386 personnes?

M. LE COMMISSAIRE: Sur une population.....

ME BEAUREGARD:

Sur une population de 12953?

R Oui, monsieur.

Q Et, pour le mois de mai, la ville n'assiste plus que 239 personnes. Qu'est-ce que veut dire cela?

R C'était les travaux du canal Beauharnois.

Q Le canal Beauharnois engageait la main d'oeuvre des chômeurs? R Oui, monsieur.

Q Evidemment, vous n'avez pas, sur cette liste,...

5383

Léveillé

vous avez dans vos archives les noms de toutes les personnes assistées et les adresses?

R Oui, monsieur.

Q Avez-vous, parmi, le nom de quelques employés de la Montreal Cottons? R Pas que je sache.

Q Personne paraît avoir donné sa qualité d'employé de la Montreal Cottons? R Non, monsieur.

Q Je vous avais demandé d'avoir une liste des taxes payées par la Montreal Cottons Limited depuis le fondement de la ville jusqu'à ce jour, c'est-à-dire depuis 1878? R 1878.

Q Voudrez-vous préparer un état à peu près comme celui-ci, mettant à gauche, l'année; dans le centre, dans la deuxième colonne, l'évaluation des biens taxables de la compagnie; dans la troisième colonne, le taux de la taxe; dans la quatrième colonne, le montant payable suivant la taxe, et dans la cinquième colonne le montant effectivement payé?

R Oui, monsieur.

M. LE COMMISSAIRE: Alors, ce sera une pièce à venir?

ME LAURICARD: Ce sera une pièce à venir. Numéro.....

M. LE COMMISSAIRE: 317.

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(5385 follows)

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THE COMMISSIONER: Now then, Mr. McRuer, are you going on? I was going to say, if you cannot get through here there is no reason why that sort of evidence could not be given in Montreal.

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MR. McRUER: Yes, I think we could as far as any of the rest of the evidence is concerned, we could complete it in Montreal, but I would like to complete it here if I can.

10

THE COMMISSIONER: Now, another point, is it your intention, Mr. Heward, to call evidence to meet some of the evidence given by these working people?

MR. HEWARD: Yes, my lord.

THE COMMISSIONER: Where, in Montreal?

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MR. HEWARD: I leave that to the court to decide. We will do whichever suits the court's convenience.

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(page 5386 follows)

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5386

CHARLES LEVEILLÉ (entendu de nouveau)

ME BALLANTYNE: Qu'il plaise à la Cour, M. Cossette, qui est ici, de Valleyfield, connaît mieux que nous les questions d'évaluation. Il a quelques questions qu'il veut demander au témoin.

M. LE COMMISSAIRE: Monsieur l'avocat Cossette?

ME BALLANTYNE: Cossette.

PAR ME J.P. COSSETTE:

Q M. Leveillé, en 1933, vous étiez assistant trésorier de la cité de Valleyfield?

R Oui, monsieur.

Q Etes-vous au courant du règlement numéro 350 qui a été produit comme exhibit numéro 293, accordant une commutation de taxes à la Montreal Cottons?

R Oui, monsieur.

Q Je comprends qu'en vertu de ce règlement la compagnie devait vendre à la cité, pour la somme de \$5,000.00 la bâtisse de la Valleyfield Electr Electric?

R Oui, monsieur.

Q Elle devait, aussi, lui céder un certain nombre de terrains? R Oui, monsieur.

Q Voulez-vous prendre connaissance d'un extrait du rôle d'évaluation de l'année 1933, qui est certifié par M. Langevin, trésorier, et montrant l'évaluation de certains terrains et bâtisses, et nous dire si les terrains auxquels il est référé avec les valeurs indiqués indiquant sont bien les terrains qui ont été cédés par la compagnie à la cité en vertu du règlement 350? R Oui, c'est ça.





Q Voulez-vous nous dire, maintenant, si l'immeuble apparaissent comme étant le numéro 830-D, évalué à \$37,950. indique bien l'immeuble de la Valleyfield Electric Co. dont il est question dans le règlement 350?

R Oui, monsieur.

Q Voulez-vous dire à Monsieur le Commissaire quel était le montant total porté au rôle d'évaluation de la ville des terrains et de cette batisse de la Valleyfield Electric qui ont été cédés à la cité par la compagnie?

R \$58,750.

Q C'est l'évaluation faite par la ville?

R En 1933.

Q Maintenant, si quelqu'un a déclaré que cette batisse était évaluée à environ \$14,000.00, est-ce qu'il pourrait avoir fait erreur?

R La même année?

Q La même année. Est-ce que la valeur n'est pas, plutôt, celle qui apparaît comme \$37,000.00?

R \$37,950.00

Q C'est évalué au rôle, la chiffre apparaît au rôle de 1933?

R Je crois.

CONTRE-INTERROGE PAR ME BEAUREGARD:

Q Je comprends qu'au moment de cette évaluation-là de la ville pour la Valleyfield Electric, les immeubles de la compagnie apparaissent exister à \$6,900,000.00 au rôle d'évaluation?

R Autour de cela.

Q Cette évaluation a été fixée définitivement par la Cour à \$3,365,917.00?

R \$3,765,917.00

Q Avez-vous connaissance d'une convention intervenue entre la compagnie et la Montréal Cottons Limited et la ville de Valleyfield par laquelle ces





5 immeubles, évalués, ici, apparemment, à \$58,750,  
sont évalués à \$14,000.00 dans l'acte du  
notaire Malouin, la convention passée devant le  
notaire Malouin et produite devant cette Cour comme  
pièce.....

R Nous nous basons sur le rôle.

Q Ce sont les mêmes immeubles. Dans l'acte du  
notaire Malouin, les parties conviennent pour \$14,000.  
C'est à la suite de la dernière computation de taxes  
10 par la ville, pour cinq ans, ratifiée par un bill de  
la Législature et une convention devant le notaire  
Malouin, qui a été ratifiée par ce bill, et dans  
cette convention du notaire Malouin, les immeubles  
sont évalués à \$14,000.00.

15 ME COSSETTE: Jecomprends que mon savant ami se base  
sur la cédule B du bill.

ME BEAUREGARD: Ceci a été corrigé dans le bill?

ME COSSETTE: Voulez-vous le bill, M. Beauregard?

ME BEAUREGARD: Je le voudrais bien.

20 M. LE CONNISSAIRE: C'est la pièce 294?

ME BEAUREGARD: 294.

PAR ME COSSETTE: Je comprends que l'évaluation por-  
tée au rôle pour la Montreal Cottons a été réduite  
par un jugement du magistrat?

R Oui, monsieur.

25 Q Vous ne pouvez pas dire si l'évaluation parti-  
culière de cette bâtisse, de la Vallefild Electric,  
a été réduite?

R Je crois que dans le  
jugement, la bâtisse n'est pas incluse parce qu'elle  
était passée à la ville dans le temps, autant que je  
30 peux me rappeler.

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ME RAYMOND: La compagnie désirerait présenter certains témoignages pour réfuter certains témoignages déjà entendus. Je comprends que si on fait venir les témoins à Montréal, ce ne sera pas à leurs frais?

M. LE COMMISSAIRE: S'il est nécessaire de faire venir les ouvriers à Montréal, nous paierons les dépenses.

ME RAYMOND: Je n'y vois pas d'inconvénients.

M. LE COMMISSAIRE: Dans tous les cas, les ouvriers n'iront pas à leurs propres frais.

ME RAYMOND: Je ne vois pas qu'il y ait d'inconvénients, je n'en prévois pas.

BY THE COMMISSIONER: That is understood, then?

M. LE COMMISSAIRE: Est-ce que cela vous convient, Me Beauregard, il n'y a aucun inconvénient?

ME BEAUREGARD: Il n'y a aucun inconvénient, qu'il plaise à la Cour, parce que nous devons rencontrer ces messieurs à Montréal, subséquemment.

(Page 5390 follows)

DEUX

ME RAY. 1901. In compagnie d'experts financiers et-  
tels. Les experts ont été nommés pour examiner les comptes  
et les entreprises. Les comptes ont été en fait vérifiés  
les experts à Montréal, et les experts ont été nommés à  
M. DE LA SALLE. Il est nécessaire de faire  
venir les experts à Montréal, pour examiner les  
comptes.

ME RAY. 1901. Je n'y vois pas d'inconvénients.  
M. DE LA SALLE. Dans tous les cas, les experts  
n'ont pas à faire, pour les faits.  
ME RAY. 1901. Je ne vois pas qu'il y ait d'inconvé-  
nients, je n'en trouve pas.

ME DE LA SALLE. That is understood, then?  
M. DE LA SALLE. That is the case, yes, certainly.  
ME RAY. 1901. It is a very reasonable thing.  
ME DE LA SALLE. It is a very reasonable thing.  
ME RAY. 1901. It is a very reasonable thing.  
ME DE LA SALLE. It is a very reasonable thing.

(Here 2200 follows)

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2 THE COMMISSIONER: Alright then, have you any-  
thing more?

MR. HEWARD: Nothing more.

5 THE COMMISSIONER: If this formidable ~~xxx~~ looking  
bundle of documents of yours, Mr. McRuer, threatens  
to take too long we will adjourn it to Montreal.

10 MR. McRUER: Yes, we can go on until six o'clock,  
I take it, at any rate, and I will see how I am  
getting along with it. There are some things I want  
to examine both Mr. Aird and Mr. Gurnham about in  
connection with the pension scheme that I want to  
dispose of here, but I will govern myself accordingly.

15 THE COMMISSIONER: I will give you ten minutes  
recess now and you can discuss that.

20 MR. McRuer; I was going to suggest that if I  
start to read for ten minutes I think a lot of the  
people will go out at the recess, but if I don't  
read for a little while they will probably all come  
back.

THE COMMISSIONER: I think you tell them, just  
explain it is going to be a reading, it will be  
alright.

-- The Commission adjourned for ten minutes.

25 -- On resuming.

CHARLES WILLIAM GURNHAM, recalled.

30 MR. McRUER: Your lordship asked me this morning  
to find any information that I might in reference  
to the strike that took place in 1907, and as to the  
causes of it. I have gone through the minutes of  
the directors at the relevant time and I am unable to

THE COURT: Now, what is the name of the person who was with you on the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, if this person was with you on the night of the 1st of June, did you see him or her at any time during the day of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him or her at any time during the night of the 1st of June?

THE WITNESS: Yes, I saw him at about six o'clock.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

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THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.

THE COURT: Now, did you see him at any time during the night of the 1st of June?

THE WITNESS: I don't know.



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get much information on it. At page 203 of the minute book of that date there is this paragraph.

5

"Resolved that the company do not entertain a further demand of 10% to the employees other than the mule spinners in the Old and Empire Mills and the special rates for the Gault mills, but that all grievances be fully investigated and the piece rates be allowed the employees, also that any overtime worked be paid the 20% advance."

10

THE COMMISSIONER: Overtime work paid 20%.

15

MR. McRUER: To be paid 20% advance. That is what we have here. Then, we have the report of the board that was established under the Industrial Disputes Act and unfortunately that report isn't very specific as to what the complaints were that had been made at that time. There may be some correspondence with the department, but they apparently agreed upon some form of governing body, so to speak, that was to adjust disputes in the future.

20

THE COMMISSIONER: Perhaps you might have that copied.

MR. McRUER: I have asked for that to be copied.

25

THE COMMISSIONER: There is no use going any further now with that because I can read it later in the record more satisfactorily.

30

MR. McRUER: There is evidently some deed of agreement that was entered into. This paragraph is contained in the Board's findings.

"The Board does not feel called upon to make any recommendation except perhaps to join in the prayer

not much information on it. At page 202 of the  
minute book of that date there is this paragraph.  
"Resolved that the company do not entertain a  
motion for the purpose of the employees other than  
the wife and children in the old and new mills  
and the special rates for the Grant Mills, but  
that all employees be fully investigated and  
the piece rates be allowed the employees, also  
and any overtime worked be paid the 80% advance.  
The 100% advance: overtime with paid 80%.  
Mr. Motion: To be paid 80% advance. That is what  
we have here. Then, we have the report of the board  
that was sent under the Industrial Disputes Act  
and immediately that report isn't very specific  
as to what the complaints were that had been made at  
that time. There may be some correspondence with  
the government, but they apparently agreed upon some  
form of a working body, so to speak, that was to adjust  
disputes in the future.  
The Chairman: Perhaps you might have that  
copied.  
Mr. Motion: I have asked for that to be copied.  
The Chairman: There is no use going any further  
now with that because I can read it later in the record  
more satisfactorily.  
The Chairman: There is evidently some deal of action  
and that was subject matter. All members are  
concerned in the future.  
The Chairman: The board has been asked to  
investigate the matter and report to the board.

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"contained in the deed of agreement by which the Minister of Labour is asked to appoint a Chairman to that Permanent Committee whenever it is necessary to do so."

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So probably the company could look up their records and find what that deed of agreement was and with whom it was made.

MR. HEWARD: What is the date of the report?

10

MR. McRUER: This is dated -- oh, this is a curious thing, they didn't date it, but it is contained in the minutes of the meeting of the 29th of October, 1907, page 210. Then, in reference to another matter at page 318, in order to complete the record in reference to the bond issue. There is a minute there which is contained in the minutes of the Board of Directors of the 20th of January, 1909.

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"That in virtue of the authority conferred upon the Directors of the company under the said by-law number 'A' debentures of the company to the extent of four hundred thousand pounds sterling money & of Great Britain, Ireland, face value, be and the same are hereby created and issued, that the said debentures shall be for the term of thirty-five years from the first day of November, nineteen hundred and eight for the sum of one hundred pounds sterling each, with interest thereon at the rate of five per centum per annum payable semi-annually on the first day of the months of May and November in each year, with coupons attached representing said semi-annual interest payments

"contained in the deed of agreement by which the  
Minister of Revenue is asked to provide a Queen's  
to the Government of Ontario and it is  
necessary to be so."

So possibly the original would look up their records  
and find what that deed was and what was said with  
when it was made.

MR. BRYDIE: What is the date of the report?

MR. BRYDIE: This is dated -- of, this is a

common thing, they don't date it, but it is contained  
in the minutes of the meeting of the 25th of October,  
1907, page 113. There, in reference to another  
matter at page 816, in order to complete the record  
in reference to the bond issue. There is a minute  
there which is contained in the minutes of the Board  
of Directors of the 25th of January, 1908.

"That in virtue of the authority conferred upon  
the Directors of the company under the Act of 1907  
number 'A' amendments of the company to the extent  
of the amendments made by the Act of 1907."

of great interest, I think, that when we say  
the same are hereby created and issued, that the  
said amendments shall be for the term of thirty-  
five years from the first day of November, 1908  
teen hundred and eight for the term of one hundred  
years starting from the first day of November, 1908  
rate of five per centum per annum payable semi-  
annually on the first day of the month of July  
and November is each year, this company is authorized



5

"and that the President or Vice-President and Secretary of the Company be and they are hereby authorized to sign the said debentures."

5

Then, I was just commencing to deal with the affairs of the company after the reorganization. Page 428.

Yes, I had read that. Then, we go to page 444.

This is a meeting of the shareholders held on the 27th of February, 1912.

10

"The sales for the year have been very good, confronted as the Company has been with extraordinarily high prices for raw material, and with lower fabric values, so they may be considered as equally satisfactory with those of 1910.

15

We have suffered from marked competition, due to the dullness of the European Textile trade and their invasion of Canadian markets.

20

Owing to Provincial legislation, we have been obliged to reduce the hours of labour from sixty to fifty-eight hours a week."

That is something that I have not been able to verify what that was yet.

25

"Notwithstanding all these difficulties, remunerative profits have been made. Provisions for depreciation, reserve, bond interest, insurance (including that of the policy of \$400,000.00 to secure dividends in the event of a fire) have been made and a surplus has been carried forward to the next year.

30

The works have been maintained in their usual efficient state of repair.

"and that the President or Vice-President and  
Secretary of the Company be and they are hereby  
authorized to sign the said documents."

Now I am not sure that I am not the owner  
of the company after the reorganization.  
Yes, I had read that. Then, we go to page 44.

This is a meeting of the shareholders held on the 27th  
of February, 1912.

"The sales for the year have been very good,  
confronted as the Company has been with extra-  
ordinarily high prices for raw materials, and with  
lower fabric prices, so they may be considered  
an excellent statement with those of 1910.

We have suffered from marked competition, due  
to the business of the European textile trade  
and their invasion of Canadian markets.  
Owing to provincial legislation, we have been  
obliged to reduce the hours of labor from sixty  
to fifty-eight hours a week."

That is something that I have not been able to verify  
and that was not.

"Notwithstanding all these difficulties, however,  
active profits have been made. Profits for the  
year ending 1911, amounting to \$400,000.00 to

(including that of the year of \$400,000.00 to  
secure dividends in the event of a fire) have  
been made and a surplus has been carried forward.

In the year 1912  
and some time has been spent in the year 1912  
with the view of providing



6 " Since the last annual meeting, your directors,  
after careful consideration and advice from  
leading actuaries, decided that the accumulations  
of surplus should be divided amongst the Company's  
5 shareholders. To carry this out a new charter  
was obtained for the Company, under the name  
of the Montreal Cottons Ltd. with an authorized  
capital of \$10,000,000.00 divided thus:  
Preferred for \$5,000,000.00 bearing interest at 7%  
10 per annum, cumulative, and Common for the same  
amount. Of these \$5,000,000.00 each have been  
issued to the shareholders.

Only Common stock carries voting powers.

15 Out of thirty thousand shares of the Montreal  
Cotton Company only a few shares remain untrens-  
ferred, through being held by trust estates,  
requiring a longer time for their transfer.

20 It affords us pleasure to state that all the  
officials of the Company have discharged their  
duties to the entire satisfaction of the Board."

Now, the position that the company was in at that time  
is shown in the balance sheet that is attached which  
I would ask the reporter to copy in full and to note  
25 that there are two parts to it, accounts number one,  
two and three and that is for the Montreal Cotton  
Company and then a sheet over from that, the Montreal  
Cottons, Limited showing accounts number one and two.  
They evidently published two statements, one for the  
30 Montreal Cottons, Limited and the other for the Montreal  
Cotton Company, the one for the Montreal Cottons, Limited

Since the last annual meeting, your directors

after careful consideration and after their

besting attention, decided that the company's

it should be divided among the company's

shareholders. To carry this out a new company

was organized for the company, under the name

of the Montreal Trust Co. Ltd. with an authorized

capital of \$1,000,000.00 and interest at 7%

per annum, cumulative, and a bonus for the same

amount. Of these \$1,000,000.00 each have been

paid to the company.

This company has been called the

and is being organized as one of the Montreal

Trust Co. Ltd. and a few shares remain with

them, through being held by trust estates;

receiving a large sum for their transfer.

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being more or less a statement of profit and loss,  
and assets and liabilities.

"THE MONTREAL COTTON COMPANY.  
31st December, 1911.

No. 1. MANUFACTURING ACCOUNT

Raw Cotton, Wages, Supplies, Chemicals  
etc. \$2,172,462.40

Salaries, incidentals and general 104,513.36

Taxes, Interest, Insurance, Repairs  
and Fuel 272,054.18

Depreciation 115,000.00

Gross Profits 291,277.48

\$ 2,955,307.44

Cloth Sales \$ 3,048,084.34

Cloth in process ~~\$~~ 1,024,884.63  
4,072,968.97

Cloth stock, 31st December, 1910 1,117,661.53  
\$ 2,955,307.44

No. 2 PROFIT AND LOSS ACCOUNT

Bond interest and bad debts \$ 55,125.12

Dividends 232,500.00

Balance forward 20,118.70  
\$307,743.82

Manufacturing Profits 291,277.48

Farm Rents, &c 16,466.34  
\$307,743.82

No. 3 ASSETS AND LIABILITIES

Cash \$ 4,096.37

Book Debts, etc 883,820.53

and assets and liabilities.  
and more or less a statement of assets and liabilities.

First Statement of Assets and Liabilities  
First Statement of Assets and Liabilities

Part I. Assets and Liabilities

Assets, Liabilities, and Equity  
Assets, Liabilities, and Equity

Assets, Liabilities, and Equity  
Assets, Liabilities, and Equity

Assets, Liabilities, and Equity

Assets, Liabilities, and Equity

Assets, Liabilities, and Equity

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Assets, Liabilities, and Equity

Assets, Liabilities, and Equity

Assets, Liabilities, and Equity

Assets, Liabilities, and Equity

Assets, Liabilities, and Equity



5396

Gurnham,

|                       |                 |
|-----------------------|-----------------|
| "Real Estate Balances | \$ 2,832.50     |
| Cloth and Waste       | 462,347.73      |
| Cotton in process     | 562,536.90      |
| Raw Cotton            | 865,685.45      |
| Supplies              | 196,620.83      |
| Unexpired Insurance   | <u>4,363.42</u> |
| Total working assets  | 2,982,303.73    |

|                              |                     |
|------------------------------|---------------------|
| Bills receivable(discounted) | 85,031.79           |
| Employees cottages           | 176,349.51          |
| Mill, Land, Power, etc       | <u>4,194,456.91</u> |

\$7,438,141.94

|               |            |
|---------------|------------|
| Open Accounts | 267,321.63 |
| Bills Payable | 543,973.62 |

Total current Liabilities 811,295.25

Indirect 85,031.79

Bond issue 1,000,000.00

|          |                  |            |
|----------|------------------|------------|
| Redeemed | <u>95,741.24</u> | 904,258.76 |
|----------|------------------|------------|

Capital account 3,000,000.00

Sales Guarantee 311,369.38

Insurance Reserve 303,457.92

Profit and Loss(Surplus) 2,002,610.14

|                                                      |                  |
|------------------------------------------------------|------------------|
| Net Profits, Balance forward<br>as per Account No. 2 | <u>20,118.70</u> |
|------------------------------------------------------|------------------|

7,438,141.94

THE MONTREAL COTTONS LIMITED  
31st December, 1911.

No. 1 PROFIT AND LOSS ACCOUNT

Number

1911

1911, 1912, 1913

1911, 1912, 1913

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1,000,000.00

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1911, 1912, 1913



"Dr. to Preferred Dividend of  
1-3/4% \$48,998.25

Cr. by Montreal Cotton Co.  
Dividend on shares \$48,998.25

5

No. 2 ASSETS AND LIABILITIES

Net assets acquired by the company \$5,749,000.00

Shares - Preferred 2,874,500.00

10

" Common 2,874,500.00  
\$5,749,000.00

The dividends were \$232,500 that year and the amount  
to the credit of profit and loss, \$2,002,610.44.

15

Then, at page 476 we have a statement submitted  
to the meeting of shareholders on the 26th of February,  
1913.

20

"Business has been very good and the present  
indications are for a continuance. Our sales  
for the year show an increase of \$180,000.00.  
We were confronted with very high-priced raw  
material and continued keen competition from  
Europe, and a further curtailment in hours of  
labour for the past year, due to Provincial  
Legislation.

25

30

The Dividends on the preferred shares (7%)  
seven per cent have been declared and also a  
dividend for the last quarter of (1%) one per  
cent, being at the rate of (4%) four per cent  
per annum on the common shares. The usual

1937

Income

\$40,000.00

1-1-37

Tr. of National Union Co.

Dividend on shares

\$40,000.00

No. 2

Not subject to taxation by the company \$0,000.00

Dividend - Preferred

\$,000.00

\$,000.00

\$,000.00

The dividend was \$40,000 that year and the amount

to the credit of shares was \$40,000,000.00.

There is no other statement regarding

to the meeting of shareholders on the 20th of February,

1937.

"Business has been very good and the present

prospects are for a continuance. Our sales

for the year show an increase of \$100,000.00.

We were surprised also very much to find that

material and continued from our previous year

ships, and a further expansion in form of

labor for the past year, but no additional

expansion.

The Division on the previous year (1936)

even now has been declined and also a

dividend for the last quarter of 1936 and the

cent, being at the rate of 4.5% (four and one-half

per cent) for the year 1936.



"depreciation, Bond interest, reserves and insurance (including that of the policy of \$400,000.00 to secure dividends in the event of fire) have been provided for, and a surplus has been carried forward to the next year."

Then, will the reporter please copy the printed statements, both of them, for the Montreal Cotton Company and the Montreal Cottons, Limited.

" THE MONTREAL COTTON COMPANY  
December 31st, 1912.

No. 1 MANUFACTURING ACCOUNT

|                             |                |
|-----------------------------|----------------|
| Raw Cotton, Wages, Supplies |                |
| Chemicals, etc              | \$2,123,316.26 |

|                           |           |
|---------------------------|-----------|
| Salaries, Incidentals and |           |
| general                   | 72,557.76 |

|                             |            |
|-----------------------------|------------|
| Taxes, interest, insurance, |            |
| repairs and fuel            | 316,335.82 |
| Depreciation                | 115,000.00 |

|               |                       |
|---------------|-----------------------|
| Gross Profits | 382,933.39            |
|               | <u>\$3,010,142.23</u> |

|                  |                       |
|------------------|-----------------------|
| Cloth Sales      | 3,229,666.35          |
| Cloth in process | 805,360.51            |
|                  | <u>\$4,035,026.86</u> |

|                                  |                       |
|----------------------------------|-----------------------|
| Cloth stock, 31st December, 1911 | 1,024,884.63          |
|                                  | <u>\$3,010,142.23</u> |

No. 2 PROFIT AND LOSS ACCOUNT

|                             |                      |
|-----------------------------|----------------------|
| Bond Interest and Bad Debts | \$ 44,586.17         |
| Dividends                   | 240,000.00           |
| Balance forward             | 110,000.94           |
|                             | <u>\$ 394,587.11</u> |

(MAY 1958)

5238

"Incorporation, from interest, reserves and insurance

(including that of the policy of \$400,000.00

to secure advance in the event of time) have been

provided for, and a surplus has been created there-

fore in the amount of \$250,000.00.

Then, with the receipt of the proceeds of the policy

statement, from of time, for the Montreal office

company and the Montreal company, Limited.

The following is a summary of the assets and liabilities

of the company as at the end of 1957.

Assets

Real Estate, Furniture, Equipment, etc.

\$2,121,110.00

Investments, etc.

Patented, Unpatented and

Other Assets

General

Reserves, Interest, Insurance,

\$16,000.00

Reserves and Fuel

\$15,000.00

Prepaid

\$15,000.00

Other Assets

\$15,000.00

\$2,151,110.00

Other Assets

\$15,000.00

Other in process

\$15,000.00

\$15,000.00

\$15,000.00

\$15,000.00

\$15,000.00

\$15,000.00

\$15,000.00

\$15,000.00

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5399

Gurnham,

|                        |                      |
|------------------------|----------------------|
| "Manufacturing Profits | \$ 382,933.39        |
| Farm Rents             | 11,653.72            |
|                        | <u>\$ 394,587.11</u> |

# No. 3 ASSETS AND LIABILITIES

|                      |                 |
|----------------------|-----------------|
| Cash                 | \$ 6,575.79     |
| Book Debts, etc.     | 905,744.67      |
| Real Estate Balances | 4,653.00        |
| Cloth and Waste      | 239,716.07      |
| Cotton in process    | 565,644.44      |
| Raw Cotton           | 907,241.77      |
| Supplies             | 209,961.36      |
| Unexpired Insurance  | <u>4,394.55</u> |

Total working Assets \$2,843,931.65

|                              |                     |
|------------------------------|---------------------|
| Bills Receivable(discounted) | 117,988.92          |
| Employees Cottages           | 179,349.51          |
| Mill, Land, Power, etc.      | <u>4,186,004.67</u> |
|                              | \$7,327,274.75      |

Open Accounts 356,775.92

Bills Payable 206,094.46

Total Current Liabilities 562,870.38

Indirect 117,988.92

Bond Issue \$1,000,000.00  
102,361.66

897,638.34

Capital Account 3,000,000.00

Sales Guarantee 303,590.02

Insurance Reserve 303,457.92

Profit and Loss(Surplus) 2,031,728.23

Net Profit, balance forward  
as per account No. 2

110,000.94

\$7,327,274.75





5400

Gurnham,

" THE MONTREAL COTTONS LIMITED  
December 31st, 1912.

No. 1 PROFIT AND LOSS ACCOUNT

Dr. to Preferred Dividend of  
1-3/4% \$210,000.00  
" to Common Dividend of 1% 30,000.00  
\$240,000.00

Cr. by Montreal Cotton Co. dividend  
on shares \$240,000.00

No. 2 ASSETS AND LIABILITIES

Net Assets acquired by the Company \$5,820,000.00  
\$5,820,000.00

Shares - Preferred \$2,910,000.00  
" - Common 2,910,000.00  
\$5,820,000.00

The total amount paid in dividends this year was \$240,000 and the amount carried forward into the profit and loss account, \$110,000.94. Then, we go to page 486. This was a meeting of the directors of the Montreal Cotton Company held on the 13th of May, 1913.

"The President reported to the meeting that arrangements had been completed with the Montreal Cottons Limited, under which this Company would assign the whole of its assets of every nature and description to Montreal Cottons, Limited."

I think that must be a mistake -- oh yes, that is the

1400

THE HONOURABLE MEMBERS OF THE  
LEGISLATIVE COUNCIL OF CANADA

REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE

IN RESPONSE TO A RESOLUTION PASSED BY THE COUNCIL

1900

TO THE COMMONS OF PARLIAMENT  
IN THE YEAR 1900

BY THE HONOURABLE MEMBERS OF THE  
LEGISLATIVE COUNCIL OF CANADA

1900

REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE

IN RESPONSE TO A RESOLUTION PASSED BY THE COUNCIL

1900

REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE

1900

1900

The total amount paid in dividends this year was  
\$440,000 and the amount carried forward into the  
profit and loss account, \$110,000.00. Then, we go  
to page 485. This was a meeting of the directors  
of the Montreal Cotton Company held on the 18th of  
May, 1912.

The President reported to the meeting that  
arrangements had been completed with the Montreal

Cotton Company, which will this company will

assign the whole of its assets of every nature  
and description to Montreal Cotton, Limited.

It is stated that the company will be liquidated and



company, they are speaking there of Montreal Cotton Company --

THE COMMISSIONER: This is a meeting of the new company?

5       MR. McRUER: No, this is a meeting of the old company in which it is to assign all its assets to Montreal Cottons, Limited, which was the new company.

THE COMMISSIONER: This took place in 1913?

10       MR. McRUER: Well, the company was set up and a balance sheet, and dividends disbursed prior to that but apparently the assets had been carried in the name of the old company.

THE COMMISSIONER: This was the handing over?

15       MR. McRUER: This is passing the assets over to the new company.

THE COMMISSIONER: Were there two separate directorates?

MR. McRUER: Well, the same directorates, I think.

20       "Under which this company would assign the whole of its assets of every nature and description to Montreal Cottons, Limited, assuming the whole of the obligations and liabilities of this company, of every nature and description including the liability under an issue of  
25       debentures amounting in the aggregate to the sum of four hundred thousand pounds sterling with interest thereon at the rate of five per cent per annum, secured by trust deed of hypothec, mortgage and pledge bearing date of 20th day of  
30

company, they are speaking of the new company.

THE CHAIRMAN: This is a question of the new

Mr. Chairman: This is a question of the old

company in which it is to be held in all its assets to

control of time, limited, which was the new company.

THE CHAIRMAN: This was done in 1912.

Mr. Chairman: Well, the company was set up and a

new asset, and the company was set up and a

but apparently the assets had been carried in the

name of the old company.

THE CHAIRMAN: There was the holding company

Mr. Chairman: This is a question of the assets which were

new company.

THE CHAIRMAN: There were there two companies which

created

Mr. Chairman: Well, the same thing, I think.

under which this company was set up and the

and it is the result of every return and the

origin of the company, limited, and the

and the result of the company and the

of this company, of every return and the

including the liability under the law of

dependent on the liability in the company to the

and it is the result of every return and the

the company is the result of every return and the

the company is the result of every return and the

and the result of every return and the

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"January, 1909, before H. M. Marler, Notary Public, in favour of The Montreal Trust, and Deposit Company now The Montreal Trust Company, the fulfilment of all the terms and conditions stipulated therein, under the express reserve of all the rights and privileges and hypothecs existing thereunder in favour of the Montreal Trust Company, and without novation of any kind or derogation from the rank or priority thereof, and that in accordance with such arrangement a deed of transfer and sale had been prepared by H. M. Marler, Notary Public, which deed was read to the meeting."

Then, page 506; this a report of the meeting of the shareholders held on the 25th of February, 1914.

"Owing to further Provincial Legislation the hours of labour on and after the 1st of January, 1913, were reduced from fifty-eight to fifty-five weekly. Considering this, and the advanced cost of living, and feeling that we must meet the needs of our work people we advanced the scale of wages to meet the loss to them from these causes.

We have also been confronted with high value of raw material and a general increase in the cost of all supplies.

The sales have fallen from those of the preceding year due to the monetary stringency everywhere, causing a general sagging curtailment of trade all over the Dominion, which is the

"January, 1909, before H. M. Walker, Notary

Public, in favour of the Montreal Trust, and

Report of the Montreal Trust Company,

the fulfilment of all the terms and conditions

stipulated therein, under the express reserve

of all the rights and privileges and hypothec

existing thereunder in favour of the Montreal

Trust Company, and without reservation of any kind or

derogation from the rank or priority thereof, and

that in accordance with each and every of the

of transfer and sale had been prepared by H. M.

Walker, Notary Public, which deed was read to

the meeting."

Then, page 22; this is a report of the meeting of the

annual meeting held on the 24th of February, 1914.

"Owing to further provincial legislation the board

of about on and after the 1st of January, 1918,

were reduced from fifty-eight to fifty-five

weekly. Considering this, and the advanced cost

of living, and feeling that we must meet the

needs of our work people we advanced the scale

of wages to meet the cost of living from these

We have also been concerned with the value

of our material and a general increase in the

cost of all supplies.

The prices have fallen from those of the

past year and to the necessary expenses

ment of trade all over the Dominion, which is in



5403

Gurnham,

"only outlet for our fabrics. Nevertheless we place before you to-day a statement which we consider very creditable.

The dividends on the Preferred shares (7%) seven per cent per annum and on the Common shares (4%) four per cent per annum have been paid. After full provision for depreciation, bond interest, bad debts and insurance (including that of a policy of \$400,000.00 to secure dividends in the event of fire) a balance has been carried forward to the credit for next year.

The works have been maintained in the usual efficient state of repair.

The condition of the textile trade, like that of all other industries, has been unfavourably affected during the whole of the past year, by the money situation. Since the 1st January there has not been a sufficiently material improvement to justify putting forward any opinion as to the prospects for 1914."

Now, will the reporter please copy in the statements.

" THE MONTREAL COTTON COMPANY  
December 31, 1913

No. 1 MANUFACTURING ACCOUNT

|                                                |                |
|------------------------------------------------|----------------|
| Raw Cotton, Wages, Supplies,<br>Chemicals, etc | \$2,443,904.65 |
|------------------------------------------------|----------------|

|                                      |           |
|--------------------------------------|-----------|
| Salaries, Incidentals and<br>general | 79,507.59 |
|--------------------------------------|-----------|

|                                                |            |
|------------------------------------------------|------------|
| Taxes, Interest, Insurance<br>Repairs and Fuel | 291,649.33 |
|------------------------------------------------|------------|

|              |            |
|--------------|------------|
| Depreciation | 115,000.00 |
|--------------|------------|

|               |                       |
|---------------|-----------------------|
| Gross Profits | 383,177.18            |
|               | <u>\$3,313,238.75</u> |

Continued

PAGE

"only earlier for our bodies. Investigation we

place before you today a statement which we

consider very considerable.

The difference on the Eastern side (XX)

seven per cent not shown and on the Eastern side

(XX) four per cent not shown have been paid.

After full provision for depreciation, bond

interest, and debts and expenses (including the

of a policy of \$200,000.00 to secure dividends

in the event of fire) a balance has been carried

forward to the credit for next year.

The work has been continued in the usual

efficient state of repair.

The completion of the textile trade, like that

of all other industries, has been unfavorably

affected during the whole of the past year, by the

same situation. Since the last January there

has not been a sufficiently material improvement

to justify putting forward any claim as to the

prospects for 1914.

Now, with the reporter please copy in the amount.

Mr. Bottom, Mr. Bottom, Mr. Bottom,

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.

Chicago, etc.



5404

Gurnham,

|                                  |                       |
|----------------------------------|-----------------------|
| "Cloth Sales                     | \$3,017,703.79        |
| Cloth in process                 | 1,100,895.47          |
|                                  | <u>\$4,118,599.26</u> |
| Cloth stock, 31st December, 1912 | 805,360.51            |
|                                  | <u>\$3,313,238.75</u> |

5

No. 2 PROFIT AND LOSS ACCOUNT

|                             |                      |
|-----------------------------|----------------------|
| Bond Interest and Bad Debts | \$ 47,054.03         |
| Dividends                   | 330,000.00           |
| Balance Forward             | 18,259.16            |
|                             | <u>\$ 395,313.19</u> |

10

|                       |                      |
|-----------------------|----------------------|
| Manufacturing Profits | 383,177.18           |
| Farm Rents, etc       | 12,136.01            |
|                       | <u>\$ 395,313.19</u> |

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No. 3 ASSETS AND LIABILITIES

|                               |                       |
|-------------------------------|-----------------------|
| Cash                          | \$ 4,129.24           |
| Book Debts, etc               | 1,006,621.99          |
| Real Estate Balances          | 6,381.75              |
| Cloth and Waste               | 383,650.31            |
| Cotton in process             | 717,245.16            |
| Raw Cotton                    | 826,444.02            |
| Supplies                      | 260,559.50            |
| Unexpired Insurance           | 4,130.00              |
|                               | <u>\$3,209,161.97</u> |
| Bills Receivable (discounted) | 140,342.63            |
| Employees Cottages            | 211,465.36            |
| Mill, Land, Power, etc        | 4,138,624.32          |
|                               | <u>\$7,699,594.24</u> |

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Guthrie

5404

22, MAY, 1918

1918-1919

1,100,885.47  
24,118,885.75

claim in process

808,350.81  
24,927,236.56

claim against 31st December, 1918

PROFIT AND LOSS ACCOUNT

No. 2

47,094.08

Bank Interest and Bad Debts

320,000.00

Dividends

18,359.16

Balance Forward

24,927,236.56

24,927,236.56

18,359.16

Bank Interest, etc

24,927,236.56

PROFIT AND LOSS ACCOUNT

No. 3

2,100.00

1,000,000.00

Bank Interest, etc

6,351.78

Bank Interest Balances

24,927,236.56

Bank Interest, etc

24,927,236.56

Costs in process

24,927,236.56

New Cotton

24,927,236.56

Supplies

24,927,236.56

Supplies, etc

24,927,236.56

Bills Receivable (discounted)

24,927,236.56

Employees' Expenses

24,927,236.56

Bill, Rent, Power, etc

24,927,236.56

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5405

Gurnham,

|                                |                |
|--------------------------------|----------------|
| Open Accounts                  | \$ 325,981.46  |
| Bills Payable                  | 583,369.68     |
| Total Current Liabilities      | \$ 909,351.14  |
| Indirect                       | 140,342.63     |
| Bond Issue                     | \$1,000,000.00 |
|                                | 120,167.80     |
|                                | \$ 879,832.20  |
| Capital Account                | 3,000,000.00   |
| Sales Guarantee                | 306,622.06     |
| Insurance Reserve              | 303,457.92     |
| Profit and Loss (Surplus)      | 2,141,729.17   |
| Net Profit, balance forward as |                |
| per account No. 2              | 18,259.16      |
|                                | \$7,699,594.28 |

THE MONTREAL COTTONS LIMITED  
December 31st, 1913.

No. 1 PROFIT AND LOSS ACCOUNT

|                                               |              |
|-----------------------------------------------|--------------|
| Dr. to Preferred Dividend of 1-3/4%           | \$210,000.00 |
| " to Common Dividend of 1%                    | 120,000.00   |
|                                               | \$330,000.00 |
| Cr. by Montreal Cotton Co. dividend on shares | \$330,000.00 |
|                                               | \$330,000.00 |

No. 2 ASSETS AND LIABILITIES

|                                    |                |
|------------------------------------|----------------|
| Net Assets acquired by the Company | \$5,949,600.00 |
|                                    | \$5,949,600.00 |
| Shares - Preferred                 | \$3,000,000.00 |
| " Common                           | 2,949,600.00   |
|                                    | \$5,949,600.00 |

RENTED

0042



The amount of dividends paid that year was \$330,000 and the amount carried forward \$18,259.16. The sales guarantee account by now has reached \$306,322, the insurance reserve \$303,457 and the profit and loss surplus \$2,141,729.17 to which was added \$18,000 and some odd that year. Page 523; this a statement submitted to the shareholders on the 24th of February, 1915 --

"We think it unnecessary to discuss or enlarge upon the extraordinary circumstances of the past year and their effect upon the business of the country.

Under such circumstances we feel we are justified in congratulating the shareholders upon the results now shown in the earning and payment of the usual dividend.

At the same time the profits compared with those of previous years, do not allow us to write off any amount for depreciation.

The works have been maintained in the usual state of repairs and the policy of \$400,000.00 for the insurance of dividends in case of fire has been kept in force."

Now, will the reporter please copy the statements.

" THE MONTREAL COTTON COMPANY  
December 31st, 1914.

No. 1 MANUFACTURING ACCOUNT

Raw Cotton, Wages, Supplies  
Chemicals, etc

\$1,678,103.41

Salaries, Incidentals and  
general

79,657.54

6405

Quinn

The amount of dividends paid last year was \$250,000

and the amount carried forward \$18,250.00.

and the amount carried forward \$18,250.00.

The income received \$250,000, and the profit and loss

amounting \$2,100,000. It is noted that the total

and none of that year. Page 630; this is a statement

submitted to the shareholders on the 15th of February.

Page --

"We think it unnecessary to discuss or explain

upon the extraordinary circumstances of the past

year and their effect upon the business of the

Under such circumstances we feel we are

justified in emphasizing the shareholders upon

the results now shown in the earnings and payment

of the usual dividend.

At the same time the results compared with

those of previous years, do not allow us to

write off any amount for depreciation.

The works have been maintained in the usual

state of repairs and the policy of \$250,000.00

for the insurance of dividends in case of fire

has been kept in force."

Now, will the reporter please copy the statement.

The Toronto Star, 1914

Page 1

For Copy, Please, Call

11/17/14

11/17/14

11/17/14

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5407

Gurnham,

Taxes, Interest, Insurance  
Repairs and Fuel

\$ 267,689.81

Depreciation .....

Gross Profits

368,420.70

\$2,393,871.46

Cloth Sales

2,291,884.63

Cloth in process

1,202,882.30

\$3,494,766.93

Cloth stock, 31st December, 1913

1,100,895.47

\$2,393,871.46

No. 2

PROFIT AND LOSS ACCOUNT

Bond Interest

\$ 44,166.03

Dividends

330,000.00

Balance forward

7,306.06

\$381,472.09

Manufacturing Profits

368,420.70

Farm Rents, etc

13,051.39

381,472.09

No. 3

ASSETS AND LIABILITIES

Cash

\$ 406.54

Book Debts, etc

802,650.86

Real Estate Balances

9,970.75

Cloth and Waste

446,432.03

Cotton in process

756,450.27

Raw Cotton

400,621.60

Supplies

229,958.05

Unexpired Insurance

4,208.03

\$2,650,698.13

Bills Receivable (discounted)

84,074.77

DATE

AMOUNT

18,888.81

REPORTING FOR YEAR

208,888.70

GROSS PROFIT

1,208,888.70

NET IN PROFIT

1,208,888.70

1,208,888.70

NET IN PROFIT

44,188.88

NET IN PROFIT

1,208,888.70

1,208,888.70

368,888.70

NET IN PROFIT

1,208,888.70

NET IN PROFIT

1,208,888.70

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NET IN PROFIT

1,208,888.70

NET IN PROFIT

1,208,888.70

NET IN PROFIT

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12

14

16

18



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|                                                     |                       |
|-----------------------------------------------------|-----------------------|
| Employees Cottages                                  | \$ 211,395.49         |
| Mill, Land, Power etc                               | 4,180,614.38          |
|                                                     | <u>\$7,126,782.77</u> |
| --                                                  |                       |
| Open Accounts                                       | \$ 336,640.89         |
| Bills Payable                                       | <u>55,038.02</u>      |
| Total current liabilities                           | \$ 391,678.91         |
| Indirect                                            | 84,074.77             |
| Bond Issue                                          | \$1,000,000.00        |
|                                                     | <u>120,167.80</u>     |
|                                                     | 879,832.20            |
| Capital Account                                     | 3,000,000.00          |
| Sales Guarantee                                     | 297,568.87            |
| Insurance Reserve                                   | 303,457.92            |
| Profit and Loss (surplus)                           | 2,162,864.04          |
| Net Profit, balance forward<br>as per account No. 2 | <u>7,306.06</u>       |
|                                                     | <u>\$7,126,782.77</u> |

THE MONTREAL COTTONS LIMITED  
December 31st, 1914

No. 1 PROFIT AND LOSS ACCOUNT

|                                                 |                     |
|-------------------------------------------------|---------------------|
| Dr to Preferred Dividend at 1-3/4%              | \$210,000.00        |
| " to Common Dividend of 1%                      | <u>120,000.00</u>   |
|                                                 | \$330,000.00        |
| --                                              |                     |
| Cr. by Montreal Cotton Co dividend on<br>shares | <u>\$330,000.00</u> |
|                                                 | \$330,000.00        |

No. 2 ASSETS AND LIABILITIES

|                                    |                       |
|------------------------------------|-----------------------|
| Net Assets acquired by the Company | <u>\$5,949,600.00</u> |
|                                    | \$5,949,600.00        |

\$ 211,200.44

Reserve for depreciation

\$ 220,240.38

Other reserves

\$ 11,000.00

Other reserves

\$ 101,070.91

Total of these liabilities

\$ 44,074.75

Investment

\$ 1,000,000.00

Other assets

\$ 100,000.00

\$ 21,200.44

\$ 100,000.00

\$ 100,000.00

\$ 100,000.00

\$ 100,000.00

\$ 100,000.00

\$ 100,000.00

\$ 100,000.00

THE ROBT. BRYCE CO. LTD.  
INCORPORATED IN CANADA

Capital paid up

\$ 211,200.44

Is the amount of the share capital

\$ 100,000.00

\$ 100,000.00

\$ 100,000.00

Dr. By Montreal Division Co. dividend on shares

\$ 100,000.00

\$ 100,000.00

Capital paid up

\$ 211,200.44

Is the amount of the share capital

\$ 100,000.00

10

15

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5409

Gurnham,

Shares - Preferred \$3,000,000.00

" Common \$2,949,600.00

\$5,949,600.00

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The amount paid in dividends was \$330,000 and the balance brought forward \$7,306.06. Now, we have filed as part of exhibit number 280 --

THE COMMISSIONER: What is that?

10

MR. McRUER: Exhibit 280.

THE COMMISSIONER: The financial statements?

MR. McRUER: The financial statements from 1915 to 1935.

15

THE COMMISSIONER: To 1934, I have; is that a mistake?

MR. McRUER: I have 1935 as well, my lord.

SECRETARY WHITELEY: 1935 was put in by itself.

20

MR. McRUER: There are just some matters in the reports that I wish to put on record so that we will have our chronological story complete. Now, 1915--

25

"Our Company manufactures -- almost exclusively-- cotton fabrics in solid colours requiring aniline dyes and chemicals extensively. The price of these supplies has been enormously inflated owing to the war, and the Company has not been able to advance prices sufficiently to meet the increased cost and at the same time to consider the trade.

30

The general business of the Company and the demand for its products has experienced a marked improvement as shown in the increase of sales over

NEW

WILSON

General - Wilson

London

£2,048,000.00

£2,888,000.00

The amount paid in dividends was £288,000 and the  
balance brought forward £2,048,000. Now, we have

£2,888,000.00

THE COMMISSIONER: What is that?

MR. WILSON: That is the

the amount paid; the financial statement

the amount paid; the financial statement

to 1935.

THE COMMISSIONER: To 1935, I have; is that a

1935

MR. WILSON: I have just as well, my friend.

MR. WILSON: 1935 was put in by itself.

MR. WILSON: There are just some matters in the

reports that I wish to put on record so that we will

have our chronological story complete. Now, 1915--

THE COMMISSIONER: I am not sure of the date.

other reports in which various results are given

types and chemicals extensively. The notes on

these reports have been enormously inflated with

to the war, and the Commission has not been able to

advance further sufficiently to meet the increased

cost and at the same time to consider the trade.

The general business of the Commission and the

demand for its products has expanded a great deal

improvement as well as in the increase of a few other



"those of last year, and it is hoped that this improvement will continue during the present year.

The Dividend on the preferred shares (7%) seven per cent have been declared and also a dividend of (4%) four per cent on the common shares. The usual depreciation, bond interest, reserves and insurance (including that of the policy of \$400,000.00 to secure dividends in the event of fire) have been provided for, and a surplus has been carried forward to the next year.

The Works have been maintained in excellent condition and a further extension is almost completed for the manufacture of absorbent gauze, which will be in operation during the summer."

Then, the 1916 report of the directors to the shareholders at a meeting on the 28th of February --

"The general business of the company was exceptional as shown in the increase of sales over those of last year, and the demand so far justifies confidence in the outlook for the present year.

To assure a full production, menaced through a shortness of labour, the Company has installed, at considerable expense, a large quantity of automatic machinery which was contracted for on very favourable terms.

The usual dividends have been declared and depreciation, bond interest, reserves, and insurance, including a policy to secure dividends in the event of fire, have been provided for, and a surplus has been carried forward to the next year.

1110

"...of last year, and it is hoped that this  
improvement will continue during the present year.

The dividend on the preferred shares (7%)

seven per cent have been declared and also a

dividend of (4%) four per cent on the common

shares. The usual depreciation, bond interest,

reserves and insurance (including that of the

policy of \$40,000.00 to secure dividends in the

event of fire) have been provided for, and a surplus

has been carried forward to the next year.

The above have been maintained in excellent con-

dition and a further extension is about completed

for the maintenance of constant power, which will

in operation during the summer."

Then, the full report of the directors to the share-

holders at a meeting on the 25th of February --

"The general business of the company has excellently

as shown in the increase of sales over those of

last year, and the demand for far greater com-

pliance in the outlook for the present year.

To secure a full production, increased through

expansion of plant, the company has installed

at considerable expense, a large quantity of

electric machinery which was purchased in the

the present year.

The usual dividends have been declared and

seven per cent have been declared and also a

dividend of (4%) four per cent on the common

shares. The usual depreciation, bond interest,

reserves and insurance (including that of the



"The works have been maintained in excellent condition."

The dividend was \$330,000, the balance carried forward \$116,782. 1917; the report of 1917 was submitted to a meeting on the 27th of February, 1918.

"The company is daily adding new automatic machinery which will ensure the largest possible production and will tend to overcome difficulties arising from the scarcity of labour now existing and likely to continue.

We have to record the loss by fire of our Hydraulic Electrical Plant on the 13th of December, which was, however, fully covered by insurance. This sudden calamity affected the year's results materially -- in the disturbance generally of operations, and in the reduction of sales, December being the closing month of our fiscal year.

The regular dividends have been distributed during the year, and, after payment of the bond interest, reserves for depreciation, war taxes, etc. a substantial surplus has been carried forward, as will be seen by the statement submitted."

The dividends amount to \$330,000, and the balance brought forward \$39,175. Then, the report of 1918 submitted to the meeting on the 26th of February, 1919.

"The temporary installation of Power, to continue running operations, proved especially costly at that time, largely increasing the outlay for

The work has been maintained in excellent

condition.

The dividend was \$250,000, the balance carried

forward \$113,482. 1917; the report of 1917 was

submitted to a meeting on the 25th of February, 1918.

There was a meeting on the 25th of February, 1918.

The meeting was held at the headquarters of the

company and will tend to show the financial

condition of the company at a very early date.

and finally to conclude.

The work to report the same by time of the

meeting. The financial condition of the company

which was, as ever, fully covered by

the meeting. The financial condition of the

company is satisfactory -- in the financial

condition of the company, and in the financial

condition of the company, and in the financial

condition of the company.

The financial condition of the company

during the year, and, after payment of the

dividend, the financial condition of the

company is satisfactory and the financial

condition of the company is satisfactory and the

financial condition of the company is

The financial condition of the company is

satisfactory and the financial condition of the

company is satisfactory and the financial

condition of the company is satisfactory and the

financial condition of the company is satisfactory

and the financial condition of the company is



"repairs.

A large number of automatic looms have been installed which were secured at pre-war prices. This outlay will be fully justified by increased production at lower cost.

Contracts have been awarded to replace the power plant, destroyed by fire, which, when installed, will be of the highest standard.

The regular dividends have been paid, and after payment of the Bond interest, reserves for depreciation, etc., a good surplus has been carried forward to profit and loss account."

The dividends paid were \$330,000 and the balance brought forward \$351,220.09.

THE COMMISSIONER: What did you say about the dividends?

MR. McRUER: The dividends were \$330,000.

THE COMMISSIONER: What was the rate?

MR. McRUER: That is at 11%.

MR. HEVARD: 7 and 4.

MR. McRUER: 7 and 4, that is 11%.

THE COMMISSIONER: 7% on the preferred and ~~4~~ 4% on the common.

MR. McRUER: Well, the capitalization is shown in this statement as \$3,000,000. That is the way they set it up. They don't set it up in their statements as \$6,000,000 until 1924, but in any case it is at 11% on the amount invested, a little better than that, because we have got some bonus stock. Then, the report for 1919 --

Guthrie

2018

Winters

A large number of automatic loans have been  
inscribed this were recorded at various places.  
This office will be fully justified by increased  
production at its cost.

Contracts have been entered to replace the  
power plant, completed by 1917, when it  
completed, will be of the highest standard.

The regular dividend have been paid, and after  
payment of the long interest, reserves for de-  
preciation, etc., a good surplus has been carried  
forward to profit and loss account."

The dividend paid were \$250,000 and the balance

amounting to \$100,000.

THE CHAIRMAN: What did you say about the

MR. BROWN: The dividends were \$250,000.

MR. CHAIRMAN: What was the ratio

MR. BROWN: That is at 110.

MR. BROWN: 7 and 4.

MR. BROWN: 7 and 4, and 1 is 110.

MR. CHAIRMAN: To be the preference and at 110

on the common.

MR. BROWN: Well, the ratio is 110 in common is

this amount as \$5,000,000. That is the way they are

it up. They don't see it up in their statements

as \$5,000,000 until 1917, but in 1917 it is at

110 on the common, increased, a little better than

that, but we have got some more work. Then,

the report is 110



THE COMMISSIONER: Who were the directors at this time?

MR. McRUER: I have that right here. Mr. S. H. Ewing, Mr. F. D. Lewis, J. P. Black, Mr. W. C. Finley, F. W. Molson, Senator Dandurand, Major A. Hamilton Gault, Sir. H. S. Holt, Sir C. B. Gordon. The meeting of 1919, or rather, the meeting at which the report for 1919 was presented was held on the 25th of February, 1920.

"Early in the season business had a marked setback, and at that time Roumanian orders were offered by the Dominion Government, and your directors accepted quite a large portion at prices fixed by them, which yielded a limited profit; later, business improved and the mills have been fully employed and orders continue to be active, assuring us of full operations for some time.

Restoration of the power plant has been a severe handicap to production. Two years have elapsed since its destruction, and only two, out of the four units contracted for, are running, due to the extreme difficulty of deliveries.

The regular dividend on preferred stock has been paid. The common stock -- your directors felt that the earnings justified them in increasing the dividend and in September it was placed on a five per cent basis.

Your directors have thought it advisable to increase the amount hitherto written off





"depreciation.

A reserve for war tax 1918 and 1919 has been provided.

It is found absolutely necessary to provide a reserve against loss, due to the extreme rate of New York Exchange, which has a direct effect on our raw material purchased for delivery in 1920 when exchange was nominal. The works have been fully maintained and are in a high state of efficiency."

The profit and loss account shows the payment of the bond interest and a subscription to the patriotic fund, \$4,875, farm, \$2,435.69. That evidently is a farm that receives money. The reserve for interest and taxes, \$307,500, dividends, \$345,000, and balance brought forward \$317,538.28. The total reserve now shown in this statement is \$3,690,618.10 as against the capital of \$3,000,000. The statement for 1920 was presented at a meeting held on the 23rd of February, 1921.

"This year was one of great commercial upheaval-- labour was clamouring for higher wages; raw cotton, coal and supplies soared to prices unknown, with the trade demanding more goods, this continued for seven months, and then, without warning, business suffered an immediate collapse. Supplies, especially raw cotton, had a phenomenal decline. Your company, having to retain the goodwill of the trade had to accept cancels and meet the prices of goods being dumped into Canada;

...

...

...

A reserve for war tax 1.15 and 1.15 has been

...

It is found that it is necessary to provide a  
positive opinion for, and for the extreme risk  
of New York Insurance, which has a direct effect  
on our new material purchased for delivery in  
1950 when each one was received. It is noted  
have been fully withdrawn and are in a high

The reserve and loss account shows the payment of the  
some interest and a contribution to the portfolio  
fund, \$4,875, from \$1,450.00. This is entirely in a  
form that receives money. The reserve for interest  
and taxes, \$107,000, at 4.5%, \$484,000, and

reserve not shown in this statement is \$1,650,000.10  
as against the capital of \$3,000,000. The statement  
for 1950 was presented at a meeting held on the 23rd  
of February, 1951.

"This year has been a great commercial success for  
labour has shown for higher wages; the  
cotton, coal and oil prices have been in a high  
state, with the price of cotton, coal and oil  
continued for some months, and then, at about  
midway, the price of cotton, coal and oil  
dropped, especially the cotton, but a remarkable  
recovery. Your company, having to retain the  
will of the time had to accept a loss and was

the price of cotton, coal and oil



"having the raw cotton on hand, bought at high prices to meet these contracts, you will recognize that the profit for the year suffered heavily, nevertheless, we are pleased to place before you a statement to-day which we consider satisfactory. The regular dividend on preferred stock has been paid. The directors felt that the earnings justified an advance on the common stock and it was placed on a 6% basis."

This reminds me of Alice In Wonderland.

"War taxes for 1918 and 1919 have been paid and shows an excess of \$72,993.86 over what was reserved. Reserves have been provided for cotton bought which has declined in value since its purchase. The works have been fully maintained and are in a high state of efficiency." The profit and loss account shows a subscription of \$125.00 to the patriotic fund, government tax paid in excess of amount reserved, \$72,993, reserve on raw cotton in transit, \$67,655, dividends \$390,000 and balance brought forward of \$227,251.95. The statement of 1921 was submitted to a meeting held on the 22nd of February, 1922.

"The decline in value of all materials entering into the manufacturing of goods and of general supplies called for a consequent reduction of prices in our inventories, but, owing to a provident policy in prosperous years, we have been able to meet the situation and we now place before you what under the circumstances alluded to





5416

Gurnham,

"we consider to be a satisfactory statement of the company's business for the year ending December 31st, 1921.

5 During the months of September, October, November and December business had a marked improvement but latterly it has shown curtailment. We are in hopes that the Spring trade will so improve that the plant may be kept in full operation. The regular dividends have been distributed during 10 the year after payment of the bond interest. The works have been maintained in perfect order and the whole plant is in excellent condition."

The profit and loss account shows bond interest, 15 \$30,469.65, bad debts, \$19,833.64, loss saw mill, \$2,297.55 and dividends, \$390,000, and balance brought forward \$38,127.18. I notice that the reserve by now, the total reserve is \$4,274,646.28 as against capital of \$3,000,000. The statement of 20 1922 is submitted to a meeting held on the 5th of February, 1923,

"Your number 1 power plant has been remodelled and a modern Hydraulic Plant has been installed and is now in operation. We have erected an 25 addition to the Mills of a four storey building, 102 ft. long and 100 ft. wide. This building is nearing completion and we expect to have the plant and machinery installed and in operation by the early part of the summer. You will 30 note that although heavy expenditures have been made in additions and improvements to plant, your

"We consider to be a satisfactory statement of the company's affairs for the year ending December

31st, 1916.

During the course of the year, no new investments but the business had a marked improvement but latterly it has shown a slight decline. We are in hopes that the coming year will so improve that the plant may be put in full operation. The various dividends have been distributed during the year after payment of the bond interest.

The profit and loss account shows a profit of \$30,400.00, net profit, \$11,300.00, less new mill, \$2,300.00 and dividends, \$180,000, and balance brought forward \$20,100.00. I notice that the reserve by now, the total reserve in \$4,254,000.00 as against capital of \$8,000,000. The statement of 1915 is submitted to a meeting held on the 5th of

January, 1916.

"Your member I regret to say has been re-elected and a meeting of the Board has been called and is now in operation. We have erected an addition to the mill of a four story building 100 ft. long and 100 ft. wide. This building is nearing completion and we expect to have the plant and machinery installed and in operation by the early part of the summer. You will

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"net working capital has not been impaired. The total surpluses, including reserves and profit and loss, amount to \$4,796,660.51 as against \$4,412,647.19 for the previous year. The regular dividends on preferred and common stock have been paid during the year after all deductions for depreciation, bond interest, etc. The plant has been fully maintained and is in excellent condition."

THE COMMISSIONER: Regular dividend means 7 and 6.

MR. McRUER: 7 and 6, 13% on the capital of \$3,000,000 as is shown. And in this statement for the year 1922 I notice an item, reserve for pension and plant renewals, \$724,090.85. The statement for 1923 is submitted to a meeting on the 6th of February, 1924.

"The operating conditions that have prevailed throughout the past year were such that satisfactory results were obtained under very great difficulties. Not the least of these was the third successive cotton crop failure. During the months of June and July the acreage planted and condition indicated, according to Government estimates, a crop of, approximately, thirteen million bales, but, owing to unfavourable weather throughout the growing and harvesting period, boll weevil depredations and numerous causes, the crop outturn will be but slightly in excess of ten million bales, and the staple and quality extremely unsatisfactory.





5

"Your property, machinery and plant account has been increased by the sum of \$340,285.54. This amount represents the additions which have been made by installing a new Waste Plant and other machinery. The regular dividends on preferred and common stock have been paid during the year. The plant has been fully maintained and is in excellent condition."

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And the dividends amounted to \$390,000 and the reserve at this time seems to be \$4,840,578.38. The statement for 1924, submitted on the 18th of February, 1925.

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"Conditions in the cotton business has presented a difficult problem, and in order to meet the diversified requirements of the trade of the Country, it has been necessary to carry a large amount of goods in process and an increased stock in warehouse. Sales for the year amounted to \$5,636,137.10. The usual depreciation has been provided for. New machinery amounting to \$166,538.37 and replacement machinery amounting to \$136,798.00 have been added to the property.

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The regular dividends on preferred and common stock have been paid during the year. The plant has been fully maintained and is in excellent condition."

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Now, there, for the first time, the capital is shown in the statement at \$6,000,000 and that alters the reserve of profit and loss account by \$3,000,000.

THE COMMISSIONER: You say the capital was shown at \$3,000,000?

October

1918

"It was estimated, according to the records of the  
been increased by the sum of \$10,000. This  
total increase the condition which have been  
into by installing a new line for the other  
generally. The number of lines in operation  
and common stock have been held during the year.  
The plant has been fully maintained and is in

Financial Statement

and the dividend amounted to \$100,000 and the reserve  
at this time seems to be \$1,000,000. The balance  
next for 1918, estimated on the basis of 1917, 1918,  
"The balance in the current account has increased

diversified investments of the firm in the  
country, it has been necessary to incur a large  
amount of goods in process and an increased stock  
in warehouse. Sales for the year amounted to  
\$1,000,000. The usual depreciation has been  
provided for. New machinery amounting to

\$100,000 and replacement machinery amounting to  
\$100,000, the new machinery is being installed.  
The plant division on the 1st of January 1918  
stock have been held during the year. The plant  
has been fully maintained and is in excellent

and, for the first time, the capital is now  
in the amount of \$1,000,000 and the plant is  
relative of profit and loss account by \$1,000,000.

The financial statement for the year 1918 is as follows:



MR. McRUER: It had been shown at \$3,000,000 all through.

THE COMMISSIONER: You say it is \$6,000,000 now?

MR. McRUER: It is shown in the 1924 statement at \$6,000,000.

THE COMMISSIONER: Does it say how it is made up?

MR. McRUER: Yes, \$3,000,000 preferred stock and \$3,000,000 common stock.

THE COMMISSIONER: How does that happen? Up to that time was only the common stock considered as capital, up to then?

MR. McRUER: That is the way they made up their financial statements. They published the financial statements in this form in 1923, the Montreal Cottons Limited. That is the new company. And in the balance sheet they show the Montreal Cottons Limited operating The Montreal Cotton Company and they have under liabilities capital common stock, \$3,000,000.

THE COMMISSIONER: Capital common stock?

MR. McRUER: Capital common stock.

THE COMMISSIONER: No mention is made of preferred stock?

MR. McRUER: Not in this 1923 statement, but they show a reserve of four million --

THE COMMISSIONER: Pardon me a minute, do you say the present company is operating the old company?

MR. McRUER: Yes.

THE COMMISSIONER: The capital is shown as that of the present company or the old company?

MR. McRUER: Of the old company.

MR. BRADY: It has been about \$5,000,000 all

the

THE COMMISSIONER: You say it is \$5,000,000 now?

MR. BRADY: It is about \$5,000,000 now.

\$5,000,000.

THE COMMISSIONER: Now is that it is made up?

MR. BRADY: Yes, it is made up of \$5,000,000.

\$5,000,000 common stock.

THE COMMISSIONER: Now is that \$5,000,000?

MR. BRADY: Yes, it is \$5,000,000 common stock.

as capital, no to them?

MR. BRADY: That is the way they made up their

financial statements. They put in the financial

statements in this form in 1928, the Montreal

limited. That is the way they made up their

balance sheet they put the Montreal Cotton

operating the Montreal Cotton Company and they have

under their capital common stock, \$5,000,000.

THE COMMISSIONER: Capital common stock?

MR. BRADY: Capital common stock.

THE COMMISSIONER: No mention is made of preferred

stock?

MR. BRADY: Not in this 1928 statement, but the

show a reserve of four million -

THE COMMISSIONER: Pardon me a minute, a few

say the balance sheet is showing the old company

MR. BRADY: Yes.

THE COMMISSIONER: The capital is shown as \$5,000,000

in the balance sheet in the old company.

MR. BRADY: On the old company.



THE COMMISSIONER: Of the old company?

MR. McRUER: Yes.

THE COMMISSIONER: That would be right because there were no preferred shares in the old company.

MR. McRUER: Yes.

THE COMMISSIONER: From this time on they show the capital of the new company instead?

MR. McRUER: Yes, but it makes three million dollars difference in this figure shown as reserve. The reserve was shown as \$4,840,000 in 1923 and in 1924 it is shown as \$1,219,000 the difference being taken care of by showing the capital at three million dollars more, and then there are some other items that they have evidently used money to pay off other accounts and that reduces the difference. I am not going into that in detail. But there appears to be full assets for the \$6,000,000 and a balance at the credit of profit and loss account of \$1,144,000 now. Then we come to the statement of 1925 which was submitted to a meeting on the 17th of February, 1926.

"The business for the year has been satisfactory resulting in an increase in sales over last year.

Sales for the year amounted to \$5,967,045.91.

The usual depreciation has been provided for.

New machinery and water improvements amounting to \$169,161.16 and replacement machinery amounting to \$33,487.31 have been added to the property.

The regular dividends on preferred and common

stock have been paid during the year. The plant has been fully maintained and is in excellent

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"condition."

Now, there is an item appears here as pension fund,  
\$62,000.

THE COMMISSIONER: That is the first time?

5 MR. HEWARD: No, you gave it in 1923, reserve for  
pensions and plant renewals.

MR. McRUER: In the statement for 1923 it appears  
in the reserve for pensions and plant renewals. In  
1924 it appears as a separate item for the first time.

10 THE COMMISSIONER: I do not remember anything  
being said in the annual reports about a pension fund.

MR. McRUER: No, I have searched the minutes,  
but I have not had time, I would like to go through  
the directors minutes and see if I can find how this  
15 originated.

THE COMMISSIONER: What is the amount there?

MR. McRUER: \$56,967.15 in 1924 and in 1925 it  
was \$62,000.25.

20 MR. HEWARD: That is not set aside that year, that  
is the total.

MR. McRUER: That is the total.

THE COMMISSIONER: That is the state of the account.

MR. McRUER: That is the pension fund. That is  
25 the way it is in the report. They show returns from  
investments amounting to \$63,626, this year, 1925,  
and there has been \$390,000 paid in dividends in addi-  
tion to the bond interest. Now, /this/ report for 1925  
submitted in February, 1926, "new machinery and water  
30 improvements amounting to \$169,161.16 and replacement  
machinery amounting to \$23,467.31 have been added to

Now, there is a lot of money in the world, but it is not all the same. Some of it is in the hands of the government, some of it is in the hands of the people, and some of it is in the hands of the banks.

THEY CANNOT: That is the first thing.

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the property. The plant has been fully maintained  
and is in excellent condition." The pension fund is  
shown here at \$62,000.25. In the report for 1926  
submitted in February, 1927,--

5 "The sudden decline in raw cotton during the year  
had the effect of unsettling business, there being  
no stability in prices, causing limited purchasing  
and even then in small quantities. Owing to the  
conservative policy of keeping inventories on a  
10 sound basis your company has not suffered extens-  
ively through the raw material decline. Sales  
for the year amounted to \$5,626,017.44 showing a  
decrease from the previous year of \$341,028.47.  
The usual depreciation has been provided for.  
15 The receding of the water in the St. Lawrence has  
affected your power plant very materially. To  
offset this your Directors have been obliged to  
dredge the waste water race ten feet deeper at a  
cost up to the present of \$150,000.00. It is  
20 hoped to finish the work in six months. New  
machinery and water improvements amounting to  
\$207,668.01 and replacement machinery amounting  
to \$70,488.14 have been added to the property.  
The regular dividends on preferred and common  
25 stock have been paid during the year."

The pension fund is shown here at \$61,377.90 and the  
surplus now amounts to \$1,364,970.65. The report for  
1927, which was submitted to a meeting on the 15th of  
February, 1928,--

30 "The sudden changes in prices of raw cotton have  
been quite a problem, preventing stability in

the property. The plant has been fully maintained and is in excellent condition." The position fund is shown here at \$22,000.00. In the report for 1936 submitted in February, 1937,--

"The sudden decline in raw cotton during the year had the effect of increasing business, there being no material change in the amount of cotton purchased and even then in small quantities. The amount of cotton purchased during the year was 1,000,000 lbs. and the amount of cotton sold was 1,000,000 lbs. The net result of the year was a profit of \$10,000.00. The annual depreciation has been provided for. The amount of the year in the St. Lawrence has effected your power plant very materially. To offset this your directors have been obliged to erect the water wheel and the cost of the same is \$100,000.00. It is hoped to finish the work in six months. New machinery and water improvements amounting to \$10,000.00 have been added to the property. The regular dividends on preferred and common stock have been paid during the year."

The position fund is shown here at \$22,000.00 and the surplus now amounts to \$1,000,000.00. The report for 1937, which was submitted to a meeting on the 15th of

February, 1938,--

"The sudden changes in prices of raw cotton have



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Gurnham.

"prices and curtailing business and with the ever increasing importations from foreign countries made possible by low wages paid the employees, our market is a difficult one. Sales for the year amounted to \$5,289,235.98 showing a decrease from the previous year of \$336,781.46. The usual depreciation has been provided for. The dredging of the waste water race during the year has cost \$72,243.37 making a total of \$213,254.52 spent in the two years. This work will be finished in March, adding in the neighbourhood of 3,000 H.P. New machinery and water improvements amounting to \$158,745.19 and replacement machinery amounting to \$29,262.79 have been added to the property. On account of the housing problems, the company has built during the year 19 cottages at a cost of \$66,021.77. The Beauharnois Electric Company made your company an offer of \$250,000 for the Valleyfield Electric Company and their offer was accepted. This comprised the distributing system, we retaining the Power House and Charter, agreeing to forfeit all rights of power and lighting in the city of Valleyfield and neighbouring parishes. The regular dividends on preferred and common stock have been paid during the year. The plant has been fully maintained and is in excellent condition."

The surplus and reserves show \$1,374,194.94 and the pension fund is at \$60,825.65. The statement for 1928 submitted to a meeting on the 20th of February, 1929

"The year just ended has been a difficult one for the cotton business. Importations have been in

"prices and controlling business and with too even

the business of the company and with too even

possible by the company and with too even

is a different one. It was the first company

to 25,000,000, showing a decrease from the previous

year of 25,000,000. The first year of the company

been provided for. The business of the company

was during the first year of 25,000,000.

total of 25,000,000, showing a decrease from the previous

year will be provided in 1960, showing a decrease

business of 2,500,000. The first year of the company

improvements resulting in 25,000,000 and 25,000,000

new machinery resulting in 25,000,000 and 25,000,000

added to the company. On account of the business

problems, the company has been during the first

outages at a cost of 25,000,000. The business

Electric Company has been during the first

25,000,000 for the Electric Company and 25,000,000

their other companies. This company has been

existing system, showing a decrease from the previous

company, showing a decrease from the previous

lighting in the city of Victoria and 25,000,000

business. The business of the company has been

common stock have been paid during the first

plant has been 25,000,000 and 25,000,000 in 1960

business. The business of the company has been

business of 25,000,000 and 25,000,000 in 1960

business of 25,000,000 and 25,000,000 in 1960

business of 25,000,000 and 25,000,000 in 1960

business of 25,000,000 and 25,000,000 in 1960

business of 25,000,000 and 25,000,000 in 1960

business of 25,000,000 and 25,000,000 in 1960



"excess of previous years. The reduction in cotton duties over a period of years, together with over production and price cutting in the cotton business in Great Britain and the United States, has had a bad effect on the market, and the usual amount set up for depreciation cannot be provided this year. Sales amounted to \$4,980,882.58, a decrease from the previous year of \$308,263.40. New machinery, water power and improvements amounting to \$123,758.34 and replacement machinery amounting to \$32,635.72 have been added to the property. The regular dividends on preferred and common stocks have been paid during the year. The plant has been fully maintained and is in excellent condition."

The report for 1929 submitted to the meeting held on February 19th, 1930,--

"We are placing before you a statement which is not very encouraging. The general market depression in the cotton trade and the fact that Great Britain and the United States are continuing to enter our market through the reduction in cotton duties over a period of years has had a bad effect on sales and prices, and the usual amount for depreciation has not been provided for. Sales amounted to \$4,704,905.66, a decrease from the previous year of \$282,909.10."

Now, I don't know how they arrive at the arithmetic in this instance because the previous statement said that the sales for 1928 amounted to \$4,980,882.58 and this statement shows the amount for 1929 at \$4,704,905.66.

THE COMMISSIONER: They say the difference is how

"between of previous years. The resolution is that  
during over a period of years, together with other  
arrangements and which are in the common business  
in Great Britain and the United States, has had a  
very marked effect on the business of the company and  
the negotiations cannot be provided this year. It  
amounted to \$4,900,000.00, a decrease from the pre-  
vious year of \$100,000.00. The company, which  
has been in operation since 1910, has in the  
previous year received a dividend of \$28,000.00 and  
has been in the same position. The company has  
on previous and common stock have been sold during  
the year. The first has been fully maintained and  
is in excellent condition."  
The report for 1930 submitted to the meeting held on  
January 10, 1931, was as follows:  
"The report for 1930 shows a statement which is not  
very encouraging. The General Manager has reported  
in the report for 1930 and the first part of the  
and the United States are continuing to enter our  
market through the reduction in certain duties over  
a period of years and a set effect on sales and  
profits, and the usual amount of contribution has  
not been provided for. The company has been  
\$4,900,000.00, a decrease from the previous year  
of \$100,000.00."  
Now, I don't know how they arrive at the statistics  
in this instance because the previous statement said  
that the sales for 1930 amounted to \$4,900,000.00 and  
this statement shows the amount for 1930 at \$4,700,000.00  
The statement for 1930 and the difference is

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much?

MR. McRUER: They say it is a decrease of \$382,000.

THE COMMISSIONER: There is a mistake there, apparently.

MR. McRUER: I figure it is a decrease of probably about \$280,000.

"The payment of the regular dividends during the year has resulted in a net reduction of \$223,553.37 in the Profit and Loss Surplus. New machinery, water power and improvements amounting to \$99,668.82 and machinery replacements amounting to \$18,194.64 have been added to property. Your directors have engaged Efficiency Engineers, J. R. Sirrine & Co., to make a survey of the whole of the works to determine if they can be bettered. We have also entered into a contract with the Beauharnois Light, Heat and Power Co., leasing our water rights for seventy years, the consideration being \$1,975,000.00 cash, 5,435 shares common stock of the Beauharnois Power Corporation Limited, and 8,000 H.P. delivered on the Company's bus bars free of charge with a further option for 4,000 H.P. at \$15.00 per H.P. Principally on account of the sale to Beauharnois the net current assets have increased from \$3,103,423.48 to \$4,779,828.30. The plant has been fully maintained and is in excellent condition." The pension fund is shown at \$61,434.41. Now, there is one thing about this statement I just want to comment on, and that is, although this sale was made to the Beauharnois no deduction was made on the fixed assets of the company. The land, buildings, machinery and equipment

many

Mr. BRYDIE: Now say it is a decrease of \$25,000.

THE CHAIRMAN: There is a mistake there, a great

only.

MR. BRYDIE: I figure it is a decrease of property

about \$25,000.

"The amount of the interest dividend during the

year has been \$100,000 in a not reduction of \$25,000, but

is the profit and loss account. For example,

after power and improvements amounting to \$25,000, and

and building property amounting to \$10,000, and

have been added to property. Your directors have

been very liberal in their treatment of the property.

to make a survey of the value of the property to see

mine if they can be bettered. We have also expected

that a contract with the property will be made.

and power Co., leasing out water rights for power

years, the corporation being \$1,000,000. We have

\$4,455 shares common stock of the corporation, and

Corporation Limited, and \$1,000 U.S. delivered to

the company's due share of charge with a

that action for \$1,000 U.S. at \$10.00 per U.S.

Trinidad on account of the sale of equipment.

the two current assets have increased from

\$1,100,000 to \$1,447,775. The gain has been

fully maintained and is in excellent condition.

The position here is shown at \$1,447,775. Now, there is

one thing about this statement I feel sure is correct

and that is, although this sale was made to the

harvest no less value was made on the first sale of the

company. The fact that the company has not

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are all shown at a value practically as they were in the previous year, but there is a sum set up in "special contingent accounts" of \$2,023,149.51.

THE COMMISSIONER: Does it say why it is put there?

5 MR. McRUER: It is shown on the other side, investments, about \$2,000,000, grouped into investments on the assets side so that I rather think that is the Beauharnois money that is in there, and it was carried in that way, and I am just wondering if they are still continuing to write down the assets on the value that they are shown in the previous statement until the two million dollars has been taken out.

10 MR. HEYARD: They may not have carried water power out in figuring their assets.

15 MR. McRUER: The statement for 1930 was submitted to a meeting on the 25th of February, 1931, and we don't seem to have had the benefit of any statement of the conditions of affairs at that time.

20 THE COMMISSIONER: Just the financial statement, is it?

MR. McRUER: Just the printed statement.

THE COMMISSIONER: No comments.

25 MR. McRUER: I will see if there is any comment recorded in the minute book for that day. I am at a loss, they don't even seem to have a minute for it. Will you look at this, Mr. Gurnham, and see if you can find the minutes of the meeting of the shareholders held on the 25th of February, 1931? This is the book it is supposed to be, isn't it? A. Yes, it should be in there.

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1936

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are all shown in a value previously as they were in  
previous year, but there is a sum set up in "Special  
Consolidated Statement" of \$2,225,128.21.

Mr. Erydie: Now it says it is put there  
12. Now it is shown on the other side, I want  
to know, about \$2,225,000, grouped into investments on  
the same side so that I want to know that in the  
previous money that is in there, and it was carried as  
that way, and I am just wondering if they are all in  
financing so that even the assets on the value that is  
are shown in the previous statement until the two million  
million has been taken out.

Mr. Erydie: What day not have carried over from  
out in figuring their assets.

Mr. Erydie: The statement for 1935 was certified  
to a meeting on the 28th of February, 1936. One of  
don't seem to have had the benefit of any statement of  
the conditions of affairs at that time.

Mr. Erydie: That the financial statement, I  
Mr. Erydie: That the financial statement.

Mr. Erydie: I will see if there is any comment  
recorded in the minute book for that day. I see it  
now, that don't even seem to have a minute for it.  
Will you look at this, Mr. Erydie, and see if you can  
find the minutes of the meeting of the shareholders  
held on the 28th of February, 1936? This is the book  
it is supposed to be, isn't it?  
A. Yes, it is.  
be in there.



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Q. We have here the minutes of a meeting of the 11th of February, 1931, declaration of a dividend of 7% on preferred and 6% on the common, that is of the directors. I want the minutes of the general meeting of shareholders held on the 25th of February, 1931. It does not seem to be in the book? A. I don't find that, Mr. McRuer.

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Q. Where do you think they would likely be? A. They might possibly be in the desk of the secretary-treasurer at the office.

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Q. Why would they be taken out of the regular minute book? A. I don't know. I had no idea there was anything missing.

Q. Will you make a careful search? I am anxious to see the minutes for that year. A. That is the annual meeting?

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Q. The annual meeting held on the 25th of February, 1931, and if there are any other minutes that are not in this book that have been removed I would like to have them, Mr. Gurnham, if you please. Have you any knowledge of any minutes being taken out? A. No, sir, not to my knowledge, no. There may be another book over there. I will make a careful search and see if there is.

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Q. Then we come to 1931, the statement for 1931 was submitted to the annual meeting held on the 28th of April, 1932. Now, we haven't any comments on conditions of affairs at that time accompanying that statement but I would like you to look at this minute book and tell me if this is the minutes of the annual meeting of the Montreal Cottons, Limited. This appears to have

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Q. We have here the minutes of a meeting of the

fifth of February, 1931, headed "Minutes of a meeting of

the fifth of February, 1931, headed "Minutes of a meeting of

the fifth of February, 1931, headed "Minutes of a meeting of

the fifth of February, 1931, headed "Minutes of a meeting of

the fifth of February, 1931, headed "Minutes of a meeting of

the fifth of February, 1931, headed "Minutes of a meeting of

Q. Where do you think they would likely be?

A. They might possibly be in the desk of the secretary

treasurer or the office.

Q. Why would they be taken out of the regular files?

A. I don't know. I had no idea there was

anything missing.

Q. Will you make a careful search? I am anxious

to see the minutes for that year. A. That is the

annual meeting.

Q. The annual meeting held on the 8th of February,

1931, and if there are any other minutes that are not

in this book that have been removed I would like to have

them, Mr. Gurdine, if you please. Have you any knowledge

of any minutes being taken out? A. No, sir, not to my

knowledge, no. There may be another book over there.

Will make a careful search and see if there is.

Q. Then we come to 1931, the statement for 1931

was submitted to the annual meeting held on the 8th

of April, 1931. Now, we haven't any documents on con-

dition of anything at that time necessarily that would

show that the minutes of the annual meeting

of the Montreal Cottons, Limited. This is the case to be



been held on the 28th of April, 1932--

"The Chairman read the report of the directors to the shareholders which follows:-

The financial statement of your company for the year ending December 31st, 1931, indicates that the results are apparently very unsatisfactory.

Sales for the year amounted to \$3,135,169.00

compared with \$3,583,219.00, a decrease from

the previous year of \$448,050.00 or 12½%. The

average value per yard shipped during 1931 is

9.75¢ as against 13.38¢ in 1930. The production

during 1931 was 2,263,000 yards in excess of that

during 1930, although the plant only operated

in 1931 to the extent of 60% of capacity. Last

year we were over optimistic in stating that al-

though cotton was then lower than any period during

the last fifteen years, we felt that all inventories

had been conservatively taken with little danger

of further depreciation."

It is these expressions of optimism I want you to find for me, please.

"This proved incorrect, as the price of cotton at the end of 1931 was 3½¢ per pound lower than at the beginning of the year. This, with other reasons to be referred to, necessitated further downward readjustment of inventory values.

With the notice calling this meeting, it was considered advisable, for your information, to send you a reprint of an article which appeared in a Canadian Textile Journal, giving a description of

been held on the 26th of April, 1935--

"The Chairman read the report of the directors

to the shareholders which follows:-

The financial statement of your company for the

year ending 31st March 1935, is as follows:-

The results are summarily very satisfactory.

Salaries and other expenses amounted to \$3,125.00

Interest on loans \$1,000.00

The previous year of \$44,000.00 or 14.4. The

average value per share during 1935 is

2.54 as against 1.14 in 1934. The production

during 1935 was 2,400,000 tons in excess of that

during 1934, although the plant only operated

in 1935 to the extent of one of capacity. Last

year we were over optimistic in stating that al-

though cotton was then lower than any period during

the last fifteen years, we felt that all investments

had been conservatively taken with little danger

of further depreciation."

It is these expressions of opinion I want you to read

and discuss.

"This proved incorrect, as the price of cotton

at the end of 1935 was 2 1/2 per cent lower than

at the beginning of the year. Thus, with other

reasons to be mentioned, necessitated further

downward re-estimation of inventory values.

With the notice calling this meeting, it was con-

sidered advisable, for your information, to con-

vey a reprint of an article which appeared in a

leading financial journal, dated 1st April 1935.



"the changes (and progress) that have been made, as found by the editor of the journal. This description is, in the main, correct, and will give you a substantial idea of the valuable property which you own. The work is proceeding very satisfactorily, and is substantially complete insofar as the cotton mills are concerned, barring the finer touches necessary to the completion of such an undertaking. The revamping of the bleaching, dyeing and finishing division has been progressing steadily, but, owing to lack of space, necessitating the changing of but a few machines at a time, it will require, probably, another four months to bring this work to completion; but we are satisfied that the completed programme will have left nothing undone to enable the experts in this department to produce results equal to those being produced elsewhere. In September last when the British pound went off the Gold Standard, it was evident that this would result in higher cost of raw cotton and other commodities imported by the British manufacturer from countries still on the Gold Standard. While this has been the case, there has been, to date, no reflection in the prices of British manufactured goods. Goods are being offered for sale to this market at the same prices as formerly, and the full result of the depreciation of the Pound Sterling is thereby given effect."

THE COMMISSIONER: Of the depreciation?

MR. McNEIL: It says depreciation here. It must be depreciation.

"the changes (and progress) that have been made, as  
toward by the editor of the Journal. This description  
is, in the main, correct, and will give you a sub-  
stantial idea of the valuable property which you  
The work is proceeding very satisfactorily, and is  
substantially complete insofar as the cotton mills  
to the completion of such an undertaking. The  
reversing of the machine, opening and finishing  
division has been proceeding steadily, but, owing  
to lack of space, necessitating the changing of but  
a few machines at a time, it will require, probably,  
another four months to bring this work to completion  
but we are satisfied that the completed programme  
will have left nothing undone to enable the experts  
in this department to produce results equal to those  
being produced elsewhere. In September last when  
the British pound went off the gold standard, it was  
evident that this would result in higher cost of raw  
cotton and other commodities imported by the British  
manufacturer from countries still on the gold standard.  
and. While this has been the case, there has been,  
to date, no reflection in the prices of British  
manufactured goods. Goods are being offered for  
sale at this market at the same prices as formerly,  
and the full result of the revaluation of the pound  
sterling is thereby given effect."

The Commission is of the opinion that

Mr. Macdonald is a very representative home. It is

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"Facing such prices, with exchange varying from \$3.20 to \$3.75 in New York, and finally adopted by our Government at \$4.40 in this market to correspond with our own depreciated exchange (upon which we have to buy cotton and many commodities abroad) the effective protection afforded the Canadian manufacturer was much less than any previous year, and has worked a hardship for practically all Canadian cotton manufacturers meeting Lancashire's very low prices. The plant changes made have already shown a reduction in costs, which we expect to extend still further. In these days, when the trade is continuously demanding quick deliveries on short notice, we have frequently disappointed our customers, but this situation is rapidly being overcome, and in the course of the year, it is expected we will be in a position to satisfy trade requirements on a comparatively short notice. At the moment, business shows little indication of improving, but we believe this company will, at least, get its full share of the volume passing."

THE COMMISSIONER: What does the report show?

MR. MCURER: The report for 1931 shows dividends paid amounting to \$393,000, that is 7% on the preferred and 6% on the common. There was transferred from special contingent account that year \$500,000.00. It shows there is a manufacturing loss of \$246,840.49. Then we come to the statement for 1932 submitted on the 15th of March, 1933.

"Sales for the year 1932 amounted to \$2,754,373.93 as compared with \$3,135,169.00 in 1931, a reduction of \$380,795.07. There was very little difference in

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"Facing such prices, with exchange varying from \$2.25

to \$2.75 in New York, and finally absorbed by our

Government at \$2.45 in this market so correspond with

our own depreciated exchange (upon which we have to

buy cotton and many commodities abroad) the effective

position as far as the Canadian manufacturer was

such loss than any previous year, and has worked a

hardship for practically all Canadian cotton manu-

facturers meeting Lancashire's very low prices. The

plant changes made have already shown a reduction in

costs, which we expect to extend still further. In

these days, when the trade is continuously decreasing

quick deliveries on short notice, we have the market

disproportioned our customers, but this situation is

rapidly being overcome, and in the course of the

year, it is expected we will be in a position to sub-

stantly trade requirements on a comparatively short notice

at the moment, business shows little indication of

improving, but we believe this company will, at least,

get its full share of the volume passing."

THE COMMISSIONER: What does the report show?

MR. MORRIS: The report for 1931 shows dividends

paid amounting to \$293,000, that is 75 on the preferred

and 25 on the common. There was transferred from

special contingent account that year \$200,000.00. It

shows there is a manufacturing loss of \$246,840.47.

It also shows the loss on the sale of the plant

of March, 1932.

"Sales for the year 1932 amounted to \$2,782,305.32

compared with \$2,150,100.00 in 1931, a reduction



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"unit values between the two years, and the reduction in dollars also represents a reduction in yardage sold. This condition, to some extent, has been due to the increased importation from Lancashire sources of goods which your company has supplied in former years to the Canadian market. The increase in importations can be attributed largely to the lower laid down costs of British goods, as a result of the depreciated value of the pound sterling, which has been effective over the entire past year, and the result of which has been mitigated, but not met, through the currency exchange regulations put out by the government. During the past year an expenditure of \$440,408.65 has been made on capital account, and is represented in further additions to the equipment and improvements in the condition of the plant. That some benefit is being derived from the extensive reorganization work conducted over the past two years is evidenced by successive reductions in manufacturing loss from \$329,360.81 in 1930, \$246,840.49 in 1931, to \$75,003.50 in 1932. These reductions have taken place in the face of very adverse operating conditions, particularly in 1932, where the plant has not operated at 50% of capacity. The situation has not improved since the close of the year under review, and your directors have deemed it advisable to stop payment of the common dividend to assist in maintaining the liquid position of the company. This step has only been taken with the greatest reluctance, as it means the first complete interruption in common dividend since payments

"Unit values between the two years, and the reduction  
in dollars also represents a reduction in percentage  
said. This condition, to some extent, has been due  
to the increased investment on from January 1930  
of 1930 which your company has engaged in 1930  
years to the financial market. The increase in investment  
business can be attributed largely to the lower level  
downward of British goods, as a result of the  
depreciated value of the pound sterling, which has  
been effective over the entire past year, and the  
fall of which has been at a time, but not now, when  
the currency exchange conditions are out of the way  
of course. During the past year an expenditure of  
\$40,000.00 has been made on capital account, and is  
represented in further addition to the equipment and  
improvements in the condition of the plant. That sum  
benefit is being derived from the extensive reorganiza-  
tion work completed over the past two years is  
evidenced by successive reductions in manufacturing  
loss from \$225,000.00 in 1930, \$225,000.00 in 1931,  
to \$75,000.00 in 1932. These reductions have taken  
place in the face of very severe operating conditions  
particularly in 1932, when the plant was not running  
at top of capacity. The situation has not improved  
since the close of the year under review, and your  
directors have seemed to hesitate to step forward  
the common dividend representing the financial  
position of the company. This has been only one of the  
with the greatest reluctance, as it were, the first

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Gurnham,

"were instituted. Conditions have never been so difficult in the cotton manufacturing business in Canada as they are to-day, so that the situation must be faced, and all possible steps taken to conserve the Company's resources."

The minute book, page 2, the minutes of this meeting contains the acting general manager's remarks.

"The Directors' Report has given you the broad outline of operations and results in 1932, but has not attempted to touch on the many details.

Two important changes during the year were the appointment of Mr. W.G.E. Aird last August as manager in charge of all manufacturing activities at the plant in Valleyfield, and the switch-over from our own power plant to the Beauharnois system in October which consummated the arrangement made in 1929, whereby the Company leased its water rights and in return, obtained 8000 H.P. delivered on our bus-bars twenty-four hours a day throughout the year. With the exception of our No. 1 unit which is still operating pending completion of wiring circuit alterations, all our former power generating equipment is now inactive, and it will be disposed of as favourable opportunities occur.

In the spinning and weaving sections of the plant, apart from minor changes in location of machinery and lighting, the only major renovation work has been the installation of

Page

Number

"were installed. It should be noted that the  
at present in the case of the installation of the  
Canada as they are to-day, and that the situation  
what is needed, and all possible steps taken to  
serve the company's interests."

The minute book, page 12, the minutes of this meeting  
contains the following report of the committee:

"The directors' report has given you the broad out-  
line of operations and results in 1913, and has not  
attempted to touch on the many details.

Two important changes during the year were the  
appointment of Mr. W.D. Aldrich as  
manager in charge of all manufacturing activities  
at the plant in Valparaiso, and the withdrawal  
from our power plant to the hydroelectric system  
in October which commenced the arrangement made in  
1913, whereby the company leased the water rights  
in return, obtained 8000 H.P. delivered on our dam.  
Here twenty-four hours a day throughout the year.

With the exception of our No. 1 unit which is still  
operating pending completion of wiring circuit  
transformer, all our units have been completely  
renewed and are now in service, and it will be disposed of as  
favorable opportunities occur.

In the rebuilding and moving sections of  
the plant, spent from since changes in location  
of machinery and lighting, the only major  
renewal work has been the installation of

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proper facilities in the Gault Mills, and this job is now nearing completion. Very extensive changes in the converting division of the plant have been carried on and completed in most instances. The new departments thereby brought into use are a credit to any plant of its kind.

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During the earlier part of the year, operations were maintained at a relatively high level, but, by the end of June, this had resulted in an alarming accumulation of grey and finished goods, and led to a drastic curtailment of production which has been in effect ever since. Stocks have been reduced considerably from the peak figures of last June and, with an upturn in business, mill operations can be increased immediately.

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The plant to-day, both from the standpoint of equipment and personel, is capable of producing economically a wide range of high quality cotton goods. During the past two years, both deliveries and quality have at times been affected by the internal alterations taking place, and the Sales Department has had the rather unenviable and thankless task of making explanations to customers against our shortcomings. A definite entry

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proper facilities in the Gulf Mills, and this  
job is now nearing completion. Very extensive  
changes in the operating division of the plant  
have been carried on and completed in recent  
months. The new equipment thereby brought  
into use has a credit to any plant of its  
kind.

During the earlier part of the year,  
operations were maintained at a relatively high  
level, and, by the end of June, this had  
resulted in an alarming accumulation of grey  
and finished goods, and led to a drastic  
curtailment of production which has been  
in effect ever since. Orders have been  
received considerably from the bank of June  
of last June and, with an upturn in business,  
it is expected that by the end of the year

The plant to-day, both from the standpoint  
of equipment and personnel, is capable of pro-  
ducing as much as a wide range of high  
quality goods. In fact, the plant has  
years, both facilities and quality have not  
been affected by the financial straits  
taking place, and the sales department has  
had the most successful and profitable  
year of making up its losses to customers  
against our competitors. A definite entry

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Gurnham

has been made into the fine sales yarn  
field to supply the requirements of the  
knitting and other industries for 40's cotton  
yarn and upward in carded, combed, and  
supercombed qualities.

This division of sales is being handled  
by the Dominion Textile Company Yarn Department  
which is already covering the same field in  
the coarser numbers.

Reference has already been made in the  
Directors' report to the severe competition  
which our goods have to meet, but every one  
connected with the active management of the  
company feels confident that we will participate  
fully in any increased volume of business  
which may become available through general  
betterment of trade conditions in Canada.

Moved by Sir Charles B. Gordon seconded  
by Mr. Wm. C. Finley that the foregoing  
reports be accepted. CARRIED."

Ottawa

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has been made into the five sales year

field to supply the requirements of the

knitting and other industries for 40's cotton

yarn and goods is ordered, ordered, and

suggested position.

This division of sales is being handled

by the Dominion Textile Company yarn department

which is already covering the same field in

the eastern provinces.

Reference has already been made in the

Director's report to the severe competition

which our goods have to meet, but every one

connected with the active management of the

company feels confident that we will participate

fully in any increased volume of business

which may be secured through the

betterment of trade conditions in Canada.

Moved by Mr. Charles A. Gordon seconded

by Mr. W. C. Finlay that the foregoing

REPORT

reports be accepted.

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The directors elected were Sir Charles B. Gordon, Mr. F. G. Daniels, Sir. Herbert S. Holt, J. P. Black, Wm. C. Finley, Senator Raoul Dandurand and Mr. G. Blair Gordon. Then we come to the meeting, the report for the year 1933 submitted to the annual meeting on the 14th of March, 1934 --

"The improvement in general trade conditions which came about for the textile industry during 1933 is reflected, to some extent, in the figures for the year's operations. The manufacturing profit, before depreciation, of \$162,397.91 compares with a loss of \$75,003.50 in the previous year. After writing off \$200,000.00 for depreciation, meeting bond interest and sundry charges, and crediting the profit and loss account with \$83,568.96 income from investments and other sources, there remains only \$14,235.61 to be applied against preferred dividend requirements of \$210,000.00. When earnings are better it is our intention to increase somewhat the charge for depreciation. Preferred dividend payments were continued throughout the year, and the unearned portion of \$195,764.39 was taken from profit and loss surplus, reducing that account to \$34,687.01 as of December 31st, 1933. Sales for the year amounted to \$3,507,313 including \$453,170.14 worth of grey cloth sold to Dominion Textile Company Limited and \$178,532.07 of yarns sold to knitters and other concerns, compared with a total of \$2,754,373.93 in 1932, which included only small grey cloth sales to Dominion Textile Company Limited and practically no yarn sales. It is, therefore, evident that the increase in business on finished

The directors elected were Sir Charles B. Gordon, Mr. J. G. Daniels, Sir. Herbert S. Holt, J. P. Wilson, Mr. G. W. Tingle, Senator Royal Thompson and Mr. G. Blair Gordon. They came to the meeting, the report for the year 1956 submitted to the annual meeting on the 14th of March, 1957 --

"The improvement in general trade conditions which came about for the textile industry during 1956 is reflected, to some extent, in the figures for the year's operations. The manufacturing profit, before depreciation, of \$162,337.01 compares with a loss of \$70,000.00 in the previous year. After writing off \$200,000.00 for depreciation, resulting from interest and various charges, and crediting the profit and

account with \$25,588.98 income from investments and other sources, the profit was \$117,925.99. When earnings are better it is our intention to increase somewhat the charge for depreciation. Preferred dividend payments were continued throughout the year, and the dividend portion of \$165,764.59 was taken from profit and loss account, reducing first account to \$25,087.01 as of December 31st, 1956. Sales for the year amounted to \$2,507,2

including \$435,110.14 worth of Grey cloth sold to Dominion Textile Company Limited and \$178,525.07 of yarns sold to Knitters and other concerns, compared with a total of \$2,752,272.93 in 1955, which included only small Grey cloth sales to Dominion Textile Limited and practically no yarn sales. It is, there-

fore, evident that the increase in business on this



"goods amounted to only about \$200,000.00 due in part to the keen competition which continued to exist from imports of cloths similar to our own lines. The revamping programme, which was started in 1930, has come measurably close to completion during the past year and involved a further expenditure of \$167,094.43 on capital account. Shortly after assuming the presidency in 1930, Mr. Daniels, although even at that time not in the best of health, set about with characteristic determination to bring the plant and machinery up to present day standards. The improvement in operating results which has since taken place each year, from a manufacturing loss of \$329,360.81 in 1930 to a manufacturing profit of \$162,397.01 in 1933, is evidence of the careful thought given to the subject in the first instance, and the faithful carrying out of Mr. Daniels' plans by those to whom the task was delegated."

Then we come to the report for 1934 which was submitted to a meeting on the 13th of March, 1935.

"The figures of the year's operations indicate an improvement in some respects as compared with the previous year. Sales in 1934 amounted to \$4,575,305. an increase of \$1,067,992.00 over 1933. This increase was accounted for primarily by a larger physical volume of goods moved. Despite the increased production, results have been very disappointing from the standpoint of profits. A large amount of business was taken on at unremunerative prices rather than have it pass out of the country."

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"A greater proportion of goods sold contained rayon, which helped to maintain average unit values in the face of lower prices for all-cotton goods. The spread for manufacturing purposes"--

5 THE COMMISSIONER: Pardon me, is that when the Company began to work in rayons?

MR. AIRD: We were gradually increasing from the year 1929, sir.

THE COMMISSIONER: You began in 1929?

10 MR. AIRD: Yes, on a very small scale.

MR. McRUER: "The spread for manufacturing purposes between cost of raw materials and sales value of goods has continued to shrink and calls for the exercising of every feasible manufacturing economy to avoid operating losses, let alone show any return on capital invested in the business. In the face of these difficulties, wage rates have been maintained at a steady level up to the present. The only real hope for an improvement in the domestic situation seems to lie in the prospect of an internal house-cleaning taking place in Lancashire whence comes the greatest volume of importations at sub-cost values. The declaration on the Canadian Customs Invoice covering a shipment of goods, to the effect that the price at which the goods are invoiced represents 'cost, plus a fair margin of profit' and which is signed by the Lancashire exporter, is a veritable farce; and, since the Ottawa agreements in 1932, the Canadian Customs Department has taken no

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"A greater proportion of goods sold consisted of goods which helped to maintain average unit values in the face of lower prices for all-cost goods. The spread for manufacturing purposes"

THE COMMISSIONER: Pardon me, is that when the Commission began to work in 1929?

MR. ALCO: He was personally interested from the

beginning.

THE COMMISSIONER: You began in 1929?

MR. ALCO: Yes, on a very small scale.

MR. ALCO: "The spread for manufacturing purposes"

between cost of raw materials and sales value of goods has continued to shrink and calls for the exercising

of every feasible manufacturing economy to avoid

operating losses, let alone show any return on capital

invested in the business. In the face of these

difficulties, wage rates have been maintained at

a steady level up to the present. The only real

hope for an improvement in the domestic situation

seems to lie in the prospect of an internal house-

cleaning taking place in manufacturing where costs the

greatest volume of expenditures at sub-cost values.

The decision on the Canadian Customs Invoice

covering a shipment of goods, to the effect that

the price at which the goods are invoiced represents

'cost, plus a fair margin of profit' and which is

signed by the manufacturer or exporter, is a veritable

miracle, and the reason for this is that

the Canadian Customs Invoice is not a

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official cognizance of the situation. It is perhaps not being too optimistic to believe that sooner or later the better elements in the trade in Lancashire, will, of their own volition, refuse to be a party any longer to such a flagrant abuse. They may even request that the Canadian Customs Department enforce the Statutes, in order to avoid discrimination by Canadian importers in favour of their own competitors in Lancashire, whose easy consciences permit them to continue to sign declarations which are palpably false. There is room in the Canadian market for Lancashire goods at a fair price, and it is equally true that the industry in the County Palatine would be better off with a smaller volume of business at profitable prices in place of the present quantity at prices yielding no profit to the industry in Lancashire and which, when met by Canadian mills, are almost equally ruinous to our own industry. Earnings, including income from investments, after providing for bond interest and depreciation, leave only \$1,138.05 available for preferred dividends, which necessitates drawing on the surplus account for the unearned portion amounting to \$208,861.95. No common dividends has been paid since December 1932. Total of reserve and surplus account now stands at \$747,747.62 as compared to \$1,291,804.63 a year ago. An amount of \$96,910.68 has been spent on capital additions and renewals to plant and

official recognition of the situation. It is perhaps not being too optimistic to believe that sooner or later the latter elements in the trade in Lanesboro, will, of their own volition, refuse to do a party any longer to such a flagrant abuse. They may even request that the Canadian Customs Department enforce the statutes, in order to avoid discrimination of Canadian exporters in favour of their own competitors in Lanesboro, whose very consciousness permits them to continue to sign certificates which are palpably false. There is room in the Canadian market for Lanesboro goods at a fair price, and it is equally true that the industry in the County which works so better off with a smaller volume of business at prohibitive prices in place of the present quantity at prices yielding no profit to the industry in Lanesboro and which, when met by Canadian mills, are almost equally ruinous to our own industry.

... ..

providing for bond interest and depreciation, leave only \$1,138.00 available for preferred dividends, after deducting the amount of the unpaid interest for the unearned portion amounting to \$200,001.00.

No common dividends has been paid since December 1922. Total of reserves and surplus account now stands at \$747,747.00 as compared to \$1,341,004.00 a year ago. An amount of \$38,910.00 has been spent on capital additions and repairs to plant and

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machinery during the past year, and is represented in further manufacturing facilities to meet the requirements of the trade. The sum of \$332,446.84, applying against obsolescence of power plant, has been added to depreciation reserve and charged to contingent reserve. An agreement has been entered into with the City of Valleyfield for the next ten years which ensures some stability of taxation costs although our tax bill is thereby increased 50 per cent. over the former annual amount. Very considerable improvement has come about in the relations between the company and the City of Valleyfield since Mr. W.G.E. Aird, our General Manager took charge of operations in August, 1932. Not the least of his problems has been an attitude of short-sighted but long-standing hostility on the part of certain factions in Valleyfield towards the great industry in their midst. Happily, the more representative people in that community have shown they realise that new industries, seeking a location, are inclined to judge a town not so much by its promises as by the actual treatment accorded to industry already established within its limits. A change in sales policy was made on October 1st 1934 when the Dominion Textile Company Limited was appointed selling agent for the Company's products, and this arrangement has proven economical and effective up to date. Our goods continue

...during the past year, and is expected to  
in further expansion during the next year.  
...of the year. The sum of \$1,000,000.  
...of power plant, and  
been added to the existing reserve and the need to  
...reserves. An agreement has been entered  
...the City of Montreal for the next few  
years which ensures some stability of taxation costs  
although our bill is thereby increased to per  
cent, over the former annual amount. Very  
...this improvement has come about in the  
relations between the company and the City of  
Montreal. ...  
...took charge of operations in January, 1954.  
...the least of his problems has been an attitude  
of short-sighted but long-standing hostility on the  
part of certain factions in the City towards the  
...in the ...  
representative people in that community have shown  
they realize that our industrial, seeking a solution  
and inclined to judge a town not so much by its  
...as by the actual treatment accorded to  
...  
A change in sales policy was made on October 1st  
1954 when the Hamilton Textile Company Limited  
was appointed as the agent for the ...  
...and this arrangement has proved beneficial  
and effective up to date.

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to meet with a favourable reception in the trade and in the great majority of cases represent better value than imported lines."

THE COMMISSIONER: What about dividends?

5 MR. McRUER: The preferred dividend was paid but no common dividends. The preferred dividends amounted to \$210,000.

10 MR. HEWARD: The report shows they drew on their reserves for \$208,000, drew on surplus for \$208,000 to meet the preferred dividends. There was only one thousand dollars odd available.

15 MR. McRUER: Well, that is what the surplus is there for. Then we come to a meeting, or the report for the year 1935 submitted to a meeting held on the 16th of March, 1936:

20 "The total value of goods sold has been well maintained in the face of the keenest competition from imported goods. The dyeing and finishing section of the plant has, however, again operated far short of capacity. Over 15,000,000 yards of dyed piece goods, mainly of a nature that we produce, have been imported from Lancashire during the past

25 year. This yardage, had it been manufactured in Valleyfield, would have made up the difference between short time and full time operation. These goods have been imported into Canada in spite of our best efforts to meet or better the values at which

30 they can be landed. We have watched with a great

to meet with a favourable reception in the trade  
and in the great majority of cases represent  
better value than imported lines."

THE COMMISSIONER: What about dividends?

MR. McNEIL: The preferred dividend was paid but

no common dividends. The preferred dividends amounted

MR. McNEIL: The report shows they drew on their

reserves for \$200,000, drawn on surplus for \$200,000

to meet the preferred dividends. There was only one

thousand dollars odd available.

MR. McNEIL: Well, that is what the surplus is there

for. Then we come to a meeting, or the report for the

year 1933 submitted to a meeting held on the 1st of

"The total value of goods sold has been well

maintained in the face of the keenest competition

from imported goods. The dyeing and finishing

section of the plant has, however, again operated

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dye dyed goods, mainly of a nature that we produce

have been imported from Lancashire during the past

year. This yardage, had it been manufactured

in Valleyfield, would have made up the difference

between short time and full time operation. These

goods have been imported into Canada in spite of

our best efforts to meet or better the value of this

they can be landed. We have matched with a great



deal of admiration a continued effort of the leaders of the Lancashire Cotton Industry to improve conditions therein. The recognition and assistance which these men are now receiving from the British Government and the progress of such methods as the Cotton Surplus Spindles Bill, now before Parliament, designed to curb and alleviate price-cutting and sub-cost selling values in Lancashire, is being followed with considerable interest here. Fortunately, outlets developed over the past two or three years such as fine and fancy sales yarn and grey cloth for the Dominion Textile Companies converting plants have stood us in good stead and have helped to maintain employment and production in the spinning and weaving sections of the plant. Profits earned from manufacturing operations, after making proper provision for depreciation amounted to \$322,778.98. To this can be added income from investments, rentals, etc. amounting to \$28,209.22, bringing income up to \$350,988.20. From this sum must be deducted bond interest and other charges totalling \$61,001.25 leaving a net income, subject to income taxes, of \$289,986.95. Provision is made for income taxes of \$45,000, which reduces the amount available for dividends there to \$244,986.95. Dividends on the cumulative preferred stock have been paid throughout the year, calling for \$210,000, and the balance of \$34,986.95 has been added to surplus

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account, from which \$34,663.60 has been transferred to sinking fund reserve. The balance sheet shows some improvement in liquid position while the discrepancy between the figure at which investments are carried on the books and the market value thereof is not so great as in former years. It is now over three years since the common shareholders have received any return on their investment. The improvement in the working capital position is, of course, largely due to this fact, and it is hoped that before very long it may be possible to resume dividends in some measure. The changing demands and trends of the trade has called for further expenditures in capital account"--

THE COMMISSIONER: Pardon me, changing demands and what?

MR. McRUER: Changing demands and trends of the trade.

"--have called for further expenditures on capital account, totalling \$200,081.09, mainly in connection with the establishment of a department to produce yarns spun from staple rayon. There is now a demand for such yarn both in sale form for the trade and for use in the production of our own woven fabrics. Although the Company has made no common dividend payment since December, 1932, a very considerable sum has been paid out each year to former employees who, because of age or ill health, are no longer

...from which \$25,000.00 has been transferred  
to the fund for the purpose of the

some improvement in liquid position while the

discrepancy between the figure of sales investments

are carried on the books and the market value thereof

is not so great as in former years. It is now over

three years since the common shareholders have re-

ceived any return on their investment. The improve-

ment in the working capital position is, of course,

largely due to this fact, and it is hoped that before

very long it may be possible to resume dividends in

some measure. The changing demands and trends of

the trade has called for further expenditures in

THE CHANGING DEMANDS: Fashionable, changing demands and

what?

MR. MONTGOMERY: Changing demands and trends of the

company, totaling \$200,000.00, which is substantial

with the establishment of a new plant in Quebec

years ago from single years. The fact is that a great

for each year both in sales and in the price of

the one in the production of our own women's dresses.

Although the company has made no common dividend

payment since December, 1934, a very substantial

has been paid out each year to former and present

who, because of the fact that the company has no longer

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in active service. This amounted to \$30,000 in 1935, representing \$1 per share on the company's common stock and perhaps laid the management open to the charge that the shareholders' interests are being neglected in favour of the employees. At the same time, this constitutes a striking refutation of the statement frequently put forward by uninformed persons to the effect that corporate business is unmindful of its employees' interests and considers only the return on capital invested."

// Now, there are one or two other references to the Minute Book, your lordship, and you asked me to ascertain if I could any information that might be contained in the books in reference to an agreement. Your lordship will remember a reference was made in one of the Minutes to a competitor who was not a member of the agreement. I have looked that up and have some information on it.

THE COMMISSIONER: What year was it?

MR. McPHER: I think it was in 1888 or 1889; yes, it was in 1889 that reference was made to a competitor that had loomed on the field, and I find at page 332 of this book in the Minutes of the Directors' Committee held on the 23rd of October, 1888, the following passage:

"The subject of the agreement between the Company and the Canada Cottons Manufacturing Company of Cornwall, by means of which it was hoped to regulate the particular weights and price of goods manufactured by both the companies, was considered, and inasmuch

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in active service. This amounted to \$20,000 in 1907, and in 1908 it was \$25,000. The amount was paid to the shareholders in 1909, and the shareholders were not to be paid again until 1910. At the same time, this constituted a striking revelation of the statement previously put forward by witnesses to the effect that corporate business is conducted in the interest of the employees and shareholders only the return on capital invested."

Now, there are one or two other references to the kind of book, your knowledge, and you asked me to refer to it. I could not find any information that might be contained in the books in reference to an agreement. Your knowledge will remember a reference was made in one of the minutes to a competitor who was not a member of the agreement. I have looked that up and have some information on it.

THE COMMISSIONER: What year was it?

MR. BRYON: I think it was in 1888 or 1889; yes, it was in 1889 that reference was made to a competitor that had formed on the field, and I think at page 300 of this book in the minutes of the Directors' Committee held on the 3rd of October, 1888, the following was stated: "The subject of the agreement between the company and the Canada Cotton Manufacturing Company of Montreal, Quebec, was discussed at the meeting of the Directors held on the 3rd of October, 1888, and it was decided that the company should not enter into any agreement with the Canada Cotton Manufacturing Company."



as after considerable correspondence had passed,  
and several meetings of the representatives of each  
company had been held without any satisfactory  
understanding being come to, and there being no  
5 apparent prospect of settling the many differences  
and disputes which were continually cropping up  
it was decided that this company shall withdraw  
from every agreement which has been in existence  
with the said Canada Cottons Manufacturing Company  
10 and that a notification in writing to that effect  
be sent to the managing director of that Company  
at Cornwall. It is considered that the Canada  
Cotton Company has departed from the spirit of the  
15 agreement on several occasions by substituting and  
selling goods of a better make at the same price as  
fixed for a lower grade, and in the case of foulards  
4 to 6 additional picks in the inch have been put in,  
thus violating the letter of the said agreement  
20 and therefore this company decided to withdraw from  
all and every arrangement with the said Canada Cottons  
Company."

They seemed to be very unreliable people, making better  
25 goods than they were. Now, Mr. Gurnham, I would be

glad if you would give me full information in regard to  
the Pensions Fund that is mentioned in the statements  
that I have just dealt with. Can you tell me when  
the fund was first originated? A. According to

30 the books of the Company it was first originated in the  
year 1919.

as after considerable correspondence had passed,  
and several meetings of the representatives of each  
company had been held without any satisfactory  
understanding being come to, and there being no  
apparent prospect of settling the many differences  
and disputes which were continually cropping up  
it was decided that this company shall withdraw  
from every agreement which has been in existence  
with the said Canada Cotton Manufacturing Company  
and that a notification in writing to that effect  
be sent to the managing director of that company  
at Cornwall. It is considered that the Canada  
Cotton Company has departed from the spirit of the  
agreement in various particulars by selling and  
selling goods of a better make at the same price as  
fixed for a lower grade, and in the case of bales  
4 to 6 additional picks in the inch have been put in  
thus violating the letter of the said agreement  
and therefore this company decided to withdraw from  
all and every agreement with the said Canada Cotton  
Company.  
Now, Mr. Chairman, I would be  
glad if you would give me some information as to the  
the Pension Fund that is mentioned in the statement  
that I have just dealt with. Can you tell me when  
the fund was first originated?  
The books of the company it was first originated in the

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Q. Speak out so his lordship can hear? A. The

books of the company show that the fund was originated in the year 1919.

5 THE COMMISSIONER: Pardon me a moment, are we justified in calling it a fund? I notice in that last statement it is said to represent one dollar per share on the company's common stock, or \$30,000 in 1935. It looks to me as if it is annual amount, paid in and paid out, is that right?

10 MR. HEWARD: There is a fund set up in the reserve, your lordship, from which payment is made and to which payments are made from operating each year.

15 THE COMMISSIONER: That was at one time, but I notice in the last statement that Mr. McRuer read you find there is \$30,000 and the president points out that is one dollar per share. That much is being distributed, and that does not look like any stable fund.

20 MR. McRUER: May I just read a passage from the Minutes here that clarifies it to a certain extent at any rate? This is a minute of the meeting of directors held on the 10th of July, 1935, and the financial statement for six months ending June 29th was presented showing gross operating profit of 25 \$311,000, and so on. "Resolved that retiring allowances to be paid to the following", and several men are listed here. I think I will just read them.

30 MR. HEWARD: If you would not mind not reading them, it has always been treated as confidential.

... spent out of his own pocket ...

books of the company ... in the year 1911.

THE COMPANY ... filed in calling it a ...

statement it is said to represent one dollar ... on the company's common stock, or \$10,000 in 1911.

It looks to me as if it is annual amount, paid in and paid out, is that right?

... there is a line run up in the ... your ... from which payment is made and to which

... THE COMPANY ... first was at one time, and I

notice in the first statement ... filed there is \$50,000 and the ...

is one dollar per share. ... attributed, and that does not look like any ...

MR. HENDER: May I just read a passage from the ... minutes here that identifies it to a certain extent as

any rate? This is a minute of the ... A record held on the 1st of July, 1911, and the

... statement for six months ending June 1911 ... presented showing gross operating profit of

... and so on. ... to be paid to the ... and several ...

... IF you would not mind ...

...



MR. McRUER: I probably had just better settle that now. Shall I read them or not?

THE COMMISSIONER: What is that?

MR. McRUER: This list of men.

THE COMMISSIONER: The 88 names?

MR. McRUER: There are 17 names that have been added to the list at this date.

THE COMMISSIONER: Why not read the whole list then?

MR. McRUER: I propose to read the whole list, yes.

THE COMMISSIONER: Just a minute, Mr. Howard seems to have some objection.

MR. HOWARD: I make this application, that we give the information to the Court; we are quite willing for it to have it, but it has always been treated by the Company as confidential between the company and those in receipt of these retiring allowances, and it is not known publicly who gets how much, or who is getting a retiring allowance, nor is it known publicly who has applied for a retiring allowance, so that the Company has adopted that policy throughout, and the Company is perfectly willing to give the information to the Commission but we feel as we have shown it to my learned friends, we feel that it would be preferable in view of their policy to treat it confidentially. We do not see how any good can be done by having it announced publicly as to who is getting pensions and how much. We have prepared a list in that way.

THE COMMISSIONER: I don't know of any good that can





be done, but that is not the question. The question is whether I can suppress it. Does it not come within the Order in Council, the requirements about wages, salaries, bonuses, and so on? If so, I cannot suppress it.

THE HEWARD: We have on several occasions - your Lordship is authorized by the Order in Council to enquire into these matters -

THE COMMISSIONER: That is by public inquiry.

MR. HEWARD: On several occasions matters of this kind have been submitted confidentially, and I ask that this be included.

THE COMMISSIONER: They have been handed in in writing.

MR. HEWARD: We will hand them in in writing, your lordship.

THE COMMISSIONER: But nobody has raised the question before. What do you say, Mr. Raymond?

MR. RAYMOND: This amount has been paid apparently out of the gross receipts, not out of the net earnings, because the pension fund is always the same in 1928, 1930, 1931, and up to 1935. It has not changed. It is always \$56,000, something like that, I think. Apparently this money comes from out of the operating expenses. Well, I think we are interested to know who received that money.

MR. McRUER: It adds to the cost of the goods.

MR. HEWARD: How would that affect it to publish what individuals received it, my lord? I don't see

be done, but that is not the question. The question is whether I can answer it. Does it not come within the Order in Council, the requirements about wages, salaries, bonuses, and so on? If so, I cannot answer it.

THE CHAIRMAN: We have on several occasions - your Lordship is authorized by the Order in Council to enquire into these matters -

THE CHAIRMAN: That is by public inquiry. MR. BRYDIE: On several occasions matters of this kind have been submitted confidentially, and I am sure this be included.

THE CHAIRMAN: They have been asked in in writing. MR. BRYDIE: He will hand them in in writing, your Lordship.

THE CHAIRMAN: But nobody has raised the question before. What do you say, Mr. Brydie?

MR. BRYDIE: This amount has been paid approximately out of the gross receipts, not out of the net earnings, because the pension fund is always the same in 1930, 1931, and up to 1935. It has not changed. It is always \$25,000, something like that, I think. Apparently this money comes from out of the operating expenses. Well, I think we are interested to know who received that money.

MR. BRYDIE: It adds to the cost of the goods. MR. BRYDIE: How would that effect it to produce what individuals received it, my lord? I don't see

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5 how that helps the question at all. We will give the information to the Commission here but why should it be made public? That is all. It seems to me that it is practically reversing the policy of the company which it has adopted for very obvious reasons.

10 THE COMMISSIONER: Of course, the Company might adopt very many policies. For instance, the Company may have adopted a policy not to make its profits low. It is not, as I said before, a question for me to decide as to whether or not it comes out of your company. I do not see that I can suppress it.

15 MR. HEWARD: We have got the full information here, your lordship and I don't think Mr. Raymond wanted it published. I have given the information to Mr. Raymond.

20 THE COMMISSIONER: Since the question has been raised to-day, and raised the other day here, I don't think there is anything to be gained by your company now trying to keep it.

MR. HEWARD: We are perfectly willing to give it to the Commission.

25 THE COMMISSIONER: You do not understand me. Now that the matter has been related here as it was the other day and again to-day I don't think there is anything to be gained by you by suppressing the names.

MR. Heward: The names have not been ~~at~~ divulged yet.

30 THE COMMISSIONER: No, they have not. But it has been discussed to this extent that if you persist in withholding the names I think it will have a bad rather than good effect. I have to make a ruling, and I would

how that helps the question at all. It will give the  
information to the Commission and the Commission is to  
make a decision. That is all. It seems to me that it  
is practically never a policy of the company  
which it has adopted for very obvious reasons.  
The Commission is to decide, and the company is to  
adopt very many policies. For instance, the company  
have adopted a policy not to make any profits for  
it is not, as I said before, a question for me to deal  
as to whether or not it comes out of your company.  
I do not see that I can suggest it.  
MR. BRYDIE: I have not the full information here,  
your forwarding and I don't think Mr. Brown & wanted it  
published. I have given the information to Mr. Brown &  
that Commission. Since the question has been referred  
to-day, and raised the other day here, I don't think  
is anything to be gained by your company now trying to  
keep it.  
MR. BRYDIE: The Commission is perfectly willing to give it to  
the Commission.  
MR. BRYDIE: You do not understand me. The  
the matter has been referred here as it was the other day  
and again to-day I don't think there is anything to be  
gained by you by suppressing the matter.  
MR. BRYDIE: The matter have not been an divided yet.  
THE COMMISSIONER: No, they have not. But it has been  
discussed to this extent that if you persist in with-  
holding the names I think it will have a bad effect on  
the Commission. I have to make a ruling, and I could

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say that having the number of names and the amounts might be just as good, but since the question is raised there is only one thing I can do. Mr. McRuer, you can give the names and the amounts. That would include all.

5 I understand there were 88?

MR. HEWARD: We have a complete list for your lordship.

MR. McRUER: I will deal with them in a moment.

10 I just want to read this Minute by way of clarifying the way it is dealt with, and I will omit the names that are mentioned here because they will be included on the composite list.

15 Mr. G. Blair Gordon, Managing Director reported that the addition of these names would make the cost for retiring allowance for 1935 \$28,990.96, and it was resolved that a limit of \$30,000 per annum be placed on this account."

20 Now, the sum of money that is paid out for pensions is a sum that is charged to the gross profits of the Company.

THE COMMISSIONER: Pardon me, I may have made a mistake, and I want to make sure I am right now, This \$30,000, this was merely an addition to what was already there.

25 MR. McRUER: It is the payment that was made this year.

THE COMMISSIONER: To this fund; that is, there was more money paid to the pensioners than \$30,000.

30 MR. HEWARD: No, your lordship, it is a payment out of the fund each year. The fund would build up by payments each year.

any first class the amount of money in the account  
of the first class, but since the account is not  
to any one else I can see it. The account, you can see  
the names and the amounts. The account is not  
to any one else I can see it.

The account is not to any one else I can see it.  
The account is not to any one else I can see it.

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THE COMMISSIONER: All right, I just want to know what is correct.

MR. McRUER: The amount distributed was \$28,990.93 and the resolution was to limit it to \$30,000 per annum. Now, there appears to have been carried in the reserve account that year \$36,152.19, which is pension fund.

THE COMMISSIONER: Is it ear-marked for pensions?

MR. McRUER: Pension fund, in this statement, and I want to ask Mr. Gurnham what that is? A. It is the accumulation of the fund from amounts that have been set up from year to year in an account to take care of these retiring allowances. I have prepared a list of the amounts that have been set up each year. As you will notice for the last five years the reserve at the end of the year remains the same, the Company's system being that they charge to operations exactly the amount that has been paid from the fund. In other words, the amount is replaced from operations.

Q. So that the amount paid to the pensioners is a current charge against operations? A. Right.

Q. So that there is no fund, so to speak, that is regarded as a pension fund to which parties are entitled to draw on or anything of that sort? A. No.

Q. We may take it that it is a gratuitous payment by the Company from year to year.

THE COMMISSIONER: Out of their operations.

THE WITNESS: Yes.

MR. HEWARD: There is a little reserve.

THE BOARD: I think all right, I just want to say  
that is so good.  
MR. McNEIL: The amount distributed was \$10,000.00  
and the resolution was to limit it to \$10,000 per annum.  
Now, there appears to have been carried in the reserve  
account about year 1925, 1926, 1927, which is pension fund.  
MR. McNEIL: Pension fund, in this statement, and  
I want to ask Mr. Brydie what that is? A. It is a  
accumulation of the fund from amounts that have been  
set up from year to year in an account to take care of  
these retiring allowances. I have prepared a list  
of the amounts that have been set up each year. As you  
will notice for the last five years the reserve at the  
end of the year remains the same, the company's system  
being that they charge to operations exactly the amount  
that has been paid from the fund. In other words,  
the amount is replaced from operations.  
Q. So that the amount paid to the pensioners is a  
amount which is replaced from operations?  
A. So that there is no fund, as to speak, that is  
recorded as a pension fund to which parties are entitled  
to draw on or anything of that sort?  
A. No.  
Q. We may take it that it is a gratification payment  
in the nature of a pension?  
A. Yes, that is correct.  
Q. The pension is not out of their operations.  
A. Yes, that is correct.  
Q. There is a little reserve.

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MR. McRUER: Q. There is a reserve carried in the Financial Statement as a pension fund amounting to \$56,152.19 in 1935, but that is just the amount that has been accumulated from year to year for some time, and it is just left there ear-marked in that way, that is all?

A. That is right.

Q. Can you tell me in the accumulation of that fund was there taken into account a deduction made in respect to income tax? When you made these appropriations to what you call the pensions fund, did you get a deduction from the amount on which income tax would otherwise be computed?

A. Having been charged to current operations we would, yes.

Q. You would get a deduction of that amount, but it still remains in your book as pension fund which you may or may not disburse as you like; there is no person that has got any right to it, is ~~xx~~ there?

A. No.

THE COMMISSIONER: Well, if it is set aside and declared to be for this specific purpose and if that is recognized by the Income tax authorities as exempt from taxation then it is in a different class than what I first thought. It is ear-marked and recognized and honoured, you may say, for certain purposes.

MR. McRUER: No doubt it has been.

MR. REWARD: If it was spent for anything else it would be taxed.

THE COMMISSIONER: Yes.

MR. McRUER: You are producing a statement marked retiring allowances -

be fixed



THE COMMISSIONER: I mean to say - pardon me - what I mean to say is I think that makes it all the more incumbent on me not to refuse the suggestion that the list be made known. All right, go on.

5 MR. McRUER: This is the retiring allowance fund commenced in the year 1919; amounts charged to operating account and credited to retiring allowance. 1919 -

THE COMMISSIONER: Pardon me, 1919?

10 MR. McRUER: Yes, my lord, commenced then. 1919, \$21,000, amount paid against retiring, nil. 1920, \$7,000 charged, paid \$100. 1921, \$6,674, charged, paid \$100. 1922, \$9,160 charged, paid \$970.95. 1923, \$9,160 charged -

15 MR. HEWARD: \$9,640.

MR. McRUER: \$9,160.

MR. HEWARD: That is 1922, you are back on your previous amount.

20 MR. McRUER: Oh yes, 1923, \$9,640 charged, paid \$2,079. 1924, \$7,000 charged, paid \$3,256.90. 1925, \$7,000 charged, paid \$966.90. Can you tell me why the payment would drop in 1924 from \$3,256.90 to \$966.90? A. I cannot, the most I can tell you is

25 that is all that was charged to that account in that year.

Q. I am talking about what was paid? A. That was paid?

30 Q. They charged the same amount as the previous year, \$7,000, but the amount paid out in pensions dropped by \$2,300. 1926, \$3,600 charged, \$4,222.35 paid out. 1927, \$3,600 charged, \$4,152.25 paid out. 1928, \$3,600 charged

I mean to say as I found that makes it all the more in-  
dependent on me not to release the information that the list  
be made known. All right, so on.

account and credited to retiring allowances. 1919 -

The following is a list of the amounts credited to the  
retiring allowances of the various employees of the  
Government of Canada for the year 1919. The amounts are  
shown in dollars and cents. The first column shows the  
name of the employee, the second column shows the amount  
credited to the retiring allowance, and the third column  
shows the date of the credit.

1919 -  
Mr. A. B. C. 10,000.  
Mr. D. E. F. 20,000.  
Mr. G. H. I. 30,000.  
Mr. J. K. L. 40,000.  
Mr. M. N. O. 50,000.  
Mr. P. Q. R. 60,000.  
Mr. S. T. U. 70,000.  
Mr. V. W. X. 80,000.  
Mr. Y. Z. A. 90,000.  
Mr. B. C. D. 100,000.

1920 -  
Mr. E. F. G. 10,000.  
Mr. H. I. J. 20,000.  
Mr. K. L. M. 30,000.  
Mr. N. O. P. 40,000.  
Mr. Q. R. S. 50,000.  
Mr. T. U. V. 60,000.  
Mr. W. X. Y. 70,000.  
Mr. Z. A. B. 80,000.  
Mr. C. D. E. 90,000.  
Mr. F. G. H. 100,000.

1921 -  
Mr. I. J. K. 10,000.  
Mr. L. M. N. 20,000.  
Mr. O. P. Q. 30,000.  
Mr. R. S. T. 40,000.  
Mr. U. V. W. 50,000.  
Mr. X. Y. Z. 60,000.  
Mr. A. B. C. 70,000.  
Mr. D. E. F. 80,000.  
Mr. G. H. I. 90,000.  
Mr. J. K. L. 100,000.



5 \$851.30 paid out. 1929, \$755.25 charged, \$2,895.19  
paid out. 1930, nothing charged., \$5,232.22 paid out.  
1931, \$16,306.98 charged, \$16,306.98 paid out. After  
1931, the same amount appears to have been paid out as  
charged, and the figures are as follows: 1932, \$17,350.92  
1933, \$16,410.30, 1934, \$21,077.46. 1935, \$28,858.06.  
The total amount charged is \$181,025.37, and paid out  
\$124,873.68. Now, would you give me the list of the  
10 parties who were beneficiaries of the pension allowances  
over this period of years? A. I will have to  
prepare it over a period of years. It has already been  
prepared for last year.

15 Q. I would like to have that over a period of years,  
because I would like to see if I can get the explanation  
of the fluctuation up and down? A. I will have to  
prepare that because I have not got it prepared.

20 Q. You can prepare that for me. Now, give me the  
list for last year.

THE COMMISSIONER: Pardon me, you are filing that list  
as an exhibit?

MR. McRUER: Yes, I am filing it.

25 THE COMMISSIONER: This is Exhibit 313, retiring  
allowances from the years 1919 to 1936.

EXHIBIT 313: Retiring allowances from years  
1919 to 1936.

30 BY MR. REWARD: Q. There is one person marked as a  
clerk on this list, where is he? A. I did not mark  
him as a clerk. In checking up his record I find he  
was only a clerk for about 4 years out of a service of

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\$281.30 paid out. 1930, \$703.25 charged, \$421.95  
paid out. 1931, nothing charged, \$421.95 paid out.  
1932, \$16,806.92 charged, \$16,806.92 paid out. After  
1931, the same amount appears to have been paid out as  
charged, and the figures are as follows: 1932, \$17,101.95  
1933, \$17,411.95, 1934, \$17,721.95, 1935, \$18,031.95.  
The total amount charged is \$181,003.87, and paid out  
\$184,873.88. Now, would you give me the list of the  
parties who were beneficiaries of the pension allowance  
over this period of years? A. I will have to  
prepare it over a period of years. It has already been  
prepared for last year.

Q. I would like to have that over a period of years.  
because I would like to see if I can get the explanation  
of the fluctuation up and down? A. I will have to  
prepare that because I have not got it prepared.  
Q. You can prepare that for me. Now, give me the  
list for last year.

THE COMMISSIONER: Pardon me, you are telling that I  
as an exhibit?  
MR. MURPHY: Yes, I am telling it.  
THE COMMISSIONER: This is Exhibit 20, containing  
allowances from the years 1912 to 1935.  
EXHIBIT 21: Retiring allowances from years  
1912 to 1935.

MR. MURPHY: Q. There is one person marked as a  
clerk on this list, where is he? A. I don't know  
him as a clerk. In checking up his record I find he  
was only a clerk for about 4 years out of a service of



some 40 odd years.

Q. Who is Robertson?

A. Robertson is the former chief of the selling department and at present a director of the company who is sick.

5 BY MR. McRUER: Q. He is not on the retiring allowances

A. No, sir.

MR. HEWARD: This is a sick payment.

10 BY MR. McRUER: Q. Well then, this list that you show me, you have got it in two parts in the way that you prepared it, one that shows the list of the names of the employees and they are each given a number, and the other list shows the number and the date of the resolution of the Board of Directors and the amount of the pension?

15 A. The monthly payments, yes.

Q. That is the amount that was paid for the last year, is that correct?

A. As at present.

Q. As they are being paid at the present time, and that is the amount per month. Now, there are two executives

20 on the list? A. There are.

Q. And their amounts are \$500 and \$83.33 respectively.

A. That is right.

THE COMMISSIONER: For the year?

25 MR. McRUER: Per month, \$500 per month, and \$83.33 per month. The amount for the one receiving \$500, that was a late manager, wasn't it? A. Yes.

Q. Now, that was reduced, you paid a much higher rate than that? A. Yes.

30 Q. What was the higher rate? A. I am not sure but I think it was at the rate of \$10,000 a year.

some 40 odd years.

Q. Who is the person?

A. The person is the  
chief of the company and is present at  
of the company who is sick.

BY Mr. McMillan: Q. He is not on the retiring list.

A. No, sir.

BY Mr. McMillan: Q. Tell them, this list that you

no, you have put it in two parts in the way that you  
prepared it, one that shows the list of the names of

employees and they are given a number, and the  
list shows the number and the date of the retirement.

the Board of Directors and the amount of the pension.

A. The monthly pension, sir.

Q. That is the amount that was paid for the last year

is that correct?

A. As at present.

Q. As they are being paid at the present time, and the

is the amount of the pension, now, there are two amounts, the

on the list?

... there are.

Q. And their amounts are \$100 and \$200 respectively?

A. That is right.

THE CHARTERED ACCOUNTANTS: For the purpose

Q. Now, for the month, how many months, and how

per month. The amount for the one receiving \$100, the

as a late pensioner, that is \$100.

Q. Now, that has been said, you paid a pension of \$100

and that is \$100.

Q. That was the highest pension?

A. I am not sure.



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Gurnham

Q. I noticed a minute in the minute book but I have not just been able to put my hand on it now when I want it. I noticed a minute in the minute book where it was reduced to \$6,000 a year. That would be reduced from \$10,000 to 6,000? A. Yes.

Q. How long had it gone on at that rate?

THE COMMISSIONER: Well, this supplementary list will be furnished.

BY MR. McRUER: Q. You will give us a list from year to year anyway, and we will have it. Now, are you quite sure that Mr. Robertson's allowance is not charged up to this same fund? A. Yes.

MR. HEWARD: What was that answer, you are quite sure? A. It is not charged in that list, no.

MR. McRUER: Mr. Beauregard points out to me that in the Minutes of the meeting of the directors held on the 20th of March, 1935, there is an entry:

"The President having received a letter from Mr. E.A. Robertson in which he stated that his doctor had advised him to give up any thought of resuming his duties with the selling staff, it was therefore decided that in view of these circumstances Mr. Robertson receive from the Montreal Cottons Limited beginning April 1st, 1935 the sum of \$500 per month as a retiring allowance continuing until the end of the current year and at the end of that period be subject to ~~the~~ review." And it was reviewed for 1936 and continued on.

Of course, I suppose that is charged up against operation anyhow whether you call it part of this or not?

2449-4

2449-4

Q. I noticed a minute in the minute book that I had not just been able to get my hand on it now when I was in the minute book. I noticed a minute in the minute book which was passed to \$5,000 a year. That would be necessary for \$10,000 to \$20,000. A. Yes.

Q. How long has it been on at that rate? THE CHARTERED ACCOUNTANTS, with an explanatory list of the same.

BY MR. ROBERTSON: Q. You will give us a list from year to year any way, and we will have it. Now, are you sure that Mr. Robertson's allowance is not charged up this year?

MR. ROBERTSON: That was that answer, you are going to. A. It is not charged in that list, no. MR. ROBERTSON: Mr. Robertson points out to me that in the minutes of the meeting of the directors held on the 30th of March, 1935, there is an entry:

"The directors have received a letter from Mr. E.A. Robertson in which he stated that his account had advised him to give up any thought of remaining in business with the selling staff. It was therefore decided that in view of these circumstances Mr. Robertson receive from the Toronto Cottons Limited beginning April 1st, 1935 the sum of \$500 per month as a pension allowance continuing until the end of the current year and at the end of that year the same to be paid to him and at the end of the year 1935 and continuing on."



A. It is not charged to that special account. It is not included in those items that are there. It is charged as a selling expense, he having been in charge of the selling department.

5

THE COMMISSIONER: Now, the last document you filed, was that a statement for the number of years giving the amounts of money?

10

MR. McRUER: Yes. Now, I am filing a list of pensions paid during the last year with the names of the recipients

MR. HEWARD: A list of the pensions as at the 30th of April this year.

MR. McRUER: As at the 30th of April this year.

15

MR. HEWARD: Some have died who were receiving payments last year.

THE COMMISSIONER: When, did you say?

MR. McRUER: As of the 30th of April this year, I am told, my lord.

20

THE COMMISSIONER: That is Exhibit 319:

EXHIBIT 319: List of former employees receiving pensions as of April 30th, 1936.

25

THE COMMISSIONER: You have that statement for the years of the amount that is put in as Exhibit 318. Now, this is a list of the names for 1935 and up to April 30th this year; that is 319. There is still to come the list for all those back years from 1919.

MR. McRUER: Yes, my lord.

30

THE COMMISSIONER: Well, I will give that a number now. It will be 320 when it comes.

MR. McRUER: On that list will you please keep separate the names of those who are wage-earners and the names

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100-100

4. It is not charged to that special account. It is not included in those items that are there. It is charged as a selling expense, no having been in charge of the selling department.

THE COMMISSIONER: Now, the last document you filed was that a statement for the number of years giving the amount of money?

MR. MEMBER: Yes. Now, I am filing a list of pensions paid during the last year with the names of the recipients. A list of the pensions as at the 30th of April this year.

MR. MEMBER: As at the 30th of April this year. MR. MEMBER: Yes, that is the same as the last year.

THE COMMISSIONER: When, did you say? MR. MEMBER: As of the 30th of April this year, I am filing it.

THE COMMISSIONER: That is Exhibit 219; EXHIBIT 219: List of former employees receiving pensions as of April 30th, 1935.

THE COMMISSIONER: You have that statement for the years of the amount that is put in as Exhibit 219. This is a list of the names for 1935 and of the April 30th this year; that is 219. There is still to come

THE COMMISSIONER: Now, the last document you filed was that a statement for the number of years giving the amount of money?



5449-H

Gurnham

of the executives. Did I ask you for a list of the salaries, bonuses and so on.

MR. BALLANTYNE: Yes, I think we have that. You did not ask for it.

MR. HEWARD: I did not make a memo of that.

MR. BALLANTYNE: I don't remember now. You want that anyway?

MR. McRUER: Yes.

MR. BALLANTYNE: For what years?

MR. McRUER: I will tell you, you will get an invitation for it. As a matter of fact, we are sending out a questionnaire and that will be in it. There is no use of duplicating it at the moment. Now, I want to get from you a little information about the annual statement of the last few years. In the year 1929 there was charged to repairs \$151,247.00. Do you know about that; it ran along over a period of years -

MR. HEWARD: How much?

MR. McRUER: \$151,247.

(Page 5450 follows)

of executives. Did I ask you for a list of the

not ask for it.

MR. HOWARD: I did not make a memo of that.

MR. HOWARD: I did not make a memo of that.

MR. HOWARD: I did not make a memo of that.

MR. HOWARD: I will tell you, you will get an answer

for it. As a matter of fact, we are sending out a

questionnaire and that will be in it. There is no

use of anything in at the moment. Now, I want to

get from you a little information about the annual

statement of the last few years. In the year 1933

there was charged to repairs \$151,247.00. Do you know

about that; it ran along over a period of years -

MR. HOWARD: How much?

MR. HOWARD: How much?

(Page two follows)



Q. 1930, \$159,252, and through 1931, & 1932, and 1933, or in those five years there is \$996,000 charged to repairs. Do you know about those charges?

5 A. I don't know just what you mean by that.

Q. The amounts charged in your operating account to repairs were they all actually paid out for repairs to the plant? A. Yes.

Q. Or were they paid out for the purchase of new machinery, putting in rayon equipment and that sort of thing? A. No.

Q. Well, how do you account for \$159,552 in repairs in the year 1930 in view of the statement that we have all along about the plant being kept up in such a high state of efficiency - you see we get three hundred thousand dollars in two years, 1929 and 1930.

15 Do you have a repair account? A. Yes.

Q. You have a repair account that will show what the item actually is? A. Well, show amount charged monthly.

Q. Show for what purpose they are disbursed?

20 A. There will be no detail of what the repair consists of, no.

Q. So that your books would not tell whether it was money paid for new machines or whether it was money paid for putting new cog wheels on old machines?

25 A. It is the regular policy of the Company to maintain a new machinery account and all machinery to that.





That is, all machinery charged to that.

5 Q. I know there is a policy running through all statements of this company, but what occurred to me were the huge amounts that were being charged for repairs to machinery, and then there was amount written off for depreciation of machinery in addition to that. Can you say as to whether on your oath that none of these amounts that are charged up as repairs were not  
10 for new machinery? A. No, I cannot swear that on oath because I did not prepare those statements.

Q. Well, have you any record that will tell us whether they were or not? A. The record will, of course, show the items, amounts charged to repairs,  
15 and amount charged to new machinery.

THE COMMISSIONER: Q. What have you in mind?

MR. McRUER: That an amount if it is charged to repairs is charged as operating expense, if charged  
20 as new machinery, it is capital expense.

Q. You did not charge any new machinery to operating expense? A. No.

Q. Then if you are charging new machinery under repairs you are charging capital expense to operations and that would be shown in your costings as charged  
25 to operations? A. If we were charging any, yes, but to the best of my knowledge we are not.

Q. Then will you give me a break down for the years for the amounts charged to repairs from 1929,  
30 1930 and 1931 and 1932, and 1933 and 1934 and 1935,

That is, all machinery changed to that.

... of this company, but what occurred to me  
were the huge amounts that were being charged for  
... and then there was nothing left  
out for depreciation of machinery in addition to the  
Can you say as to whether or not that none of  
these amounts that are charged up as repairs were not  
for the machinery?  
... I cannot think that  
on each record I did not find the same statement.  
... have you any record that will tell us  
whether they are or not? ... the record will

of course, when the items, amounts charged to repairs  
and amount charged to machinery?  
... What have you in mind?  
... That an amount if it is charged to  
repairs is charged as operating expense, if charged  
to machinery, it is charged to machinery.  
... You did not charge any new machinery to

... Then if you are charging the machinery under  
repairs you are charging capital expense to operating  
... and that will be taken in your account as charges  
to machinery?  
... But to the point of my knowledge we are not.  
... Then will you give me a breakdown for the  
... charged to repairs from 1930,  
... and 1934 and 1935?



if you have them.

MR. HEWARD: That do you mean by a "breakdown"?

THE COMMISSIONER: Decomposition of them, itemize them. Is there just a gross amount shown?

5 MR. McRuer: There are two headings - one is equipment and the other repairs. Under the Equipment there is \$72,291 in 1933; 1932, \$87,217; 1931, \$246,644, 1930, \$60,392; 1929, \$77,708.

10 Now, when I said that the total amount of this was \$996,000, that is total amount for repairs and equipment.

15 Q. Now, what is the equipment account? A. All such items as shuttles, bobbins, tools that are used in the mill are charged to equipment account.

20 Q. In the year 1931 the total for repairs and equipment comes to \$304,582. Now, there would surely be some obvious explanation as to why there would need to be an expenditure of that amount of money on ordinary repairs, where in 1933 the total amounts to \$114,341. I am taking those figures, - they are not in your annual statement; what I am giving you is from statements sent in to the Price Spreads Inquiry.

25 MR. HEWARD: These are not from the Annual Statement?

30 MR. McRuer: No, you will find them from material sent in to the Price Spreads Inquiry. Will you give me the details of repair and operating account, please,

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MR. HARRIS: Now to you now by arrangement?

THE CHAIRMAN: Yes, I am now by arrangement.

Now, is there just a gross amount shown?

MR. HARRIS: There was a gross amount - one is given.

Now, what is the other side of the account?

There is \$1,000 in 1908; 1909, \$1,000; 1910, \$1,000.

Now, when I said that the total amount of this

and \$1,000, that is total amount for repairs and equipment.

MR. HARRIS: Now, what is the equipment account?

Now, there is a list of equipment, tools that are used

in the mill and changed to equipment account.

MR. HARRIS: In the year 1901 the total for repairs and

equipment came to \$1,000. Now, there would surely

be some obvious explanation as to why there would need

to be an expenditure of that amount of money on repairs

and repairs, where in 1908 the total amount was

\$1,000. I am asking those figures - they are

not in your annual statement; what I am asking you

is from statement sent in to the office - where



because I want to see how far they may affect the question of costs.

5 MR. HEWARD: Exactly how much detail do you want on that? Please be more specific. Would you explain for the witness's guidance just what you mean by a breakdown, and how much detail you want and exactly what you want.

10 MR. McRUER: I want it in order that we may determine the nature of the expenditures and for what purpose they were made.

MR. HEWARD: Each item?

15 MR. McRUER: Yes. There are ordinary repairs around the plant and then if there are men putting in new plant, that is a different story, but I have been doing a little bit of studying about this question and I think that there is something that is not quite clear about it so far.

20 MR. HEWARD: We want to do our best to help you but we just want to get what you want in the way of a breakdown, if you would be good enough to explain that.

25 MR. McRUER: The breakdown I want is what will show the nature of the expenditures for repairs.

30 THE WITNESS: You are asking a very difficult question because in our repair department I suppose that there are is an average of possibly 100 to 150 orders daily put through for small repairs and these

INTERVIEW

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because I want to see how far they may affect the

question of costs.

MR. BRYDIE: Exactly how much detail do you want  
on these items of cost? Would you expect  
the witness's evidence that you want by a  
breakdown, and how much detail you want and exactly  
what you want.

MR. BRYDIE: I want it in order that we may define  
the nature of the expenditures and for what purpose.

MR. BRYDIE: How long?

around the plant and when it there are not getting in  
new plant, that is a different matter. I have  
done a little bit of studying about this question  
and I think that there is something that is not  
quite clear about it so far.

MR. BRYDIE: We want to do our best to help you  
but we just want to get what you want in the way  
of a breakdown, if you would be good enough to  
explain that.

MR. BRYDIE: The question I want to ask will  
show the nature of the expenditures for repairs.  
You are asking a very difficult  
question because in the plant maintenance records  
that are in an account of possibly 100 to 150  
orders really get through for small repairs and there



are all charged to repair account.

Q. Then could all ~~the~~ be classified on sundry orders?

A. If you are satisfied to just have it detailed as repairs to machinery.

Q. Sundry orders, repairs to machinery? A. Some of those repair jobs will cost as low as 25 cents or 50 cents but they all go into the general cost.

Q. I don't want those items. You see we have one here over 300,000 dollars? A. The majority of that I think is equipment, is it not?

Q. Yes? A. The charge ~~is~~ for equipment have been heavy lately as could be explained to you a great deal better by the General Manager than myself, due to alterations in machinery.

Q. And do you charge that to current expense? A. Yes.

Q. Equipment that is due to alterations in putting in new class of machinery you charge to current expense and comes into the cost of the goods? A. Comes into your operating.

Q. Increases the operating cost. That is precisely to what extent that is done I want to know as a matter of information, and I think you can prepare for me something that is not too elaborate, and if we want it checked over we can send an accountant out and check it over and satisfy ourselves on it.

MR. McRUE: There is just one summary that I wish to give your Lordship now that I should have when I

5442

are all charged to regular account.

Then could all this be classified on military account?

If you are classified to that have is classified as

regular account.

5

Many orders, repairs to machinery.

of those orders, there will come as far as 25 cents or

50 cents that they will go into the regular cost.

I don't want those items. You see we have one

here over 200,000 dollars.

10

That I think is equipment, is it not?

Yes.

Have been heavy lately as could be explained to you

a great deal better by the General than I can explain.

15

due to alterations in machinery.

And do you charge that to current expenses?

Yes.

Equipment that is due to alterations in putting

in new machinery you charge to current expenses

20

and comes into the cost of the General.

into your operating.

Increases the operating cost. That is precisely

to what extent that is done I want to know as a matter

25

of information, and I think you can prepare for me

something that is not too elaborate, and is as

it shows what we need in equipment and

check it over and satisfy ourselves on it.

Mr. Tolson: There is just one more thing I want

30

to give your leadership now that I should have when I



was completing the other story. I have summarized the dividends that had been paid by this company since 1911 when the re-organization took place and they have amounted to \$8,497,500.

5

THE COMMISSIONER: That is both preferred ---

10

MR. McRUER: That is total dividends. The dividends that have been paid on the common stock, which was usually spoken of as gratis in the minutes, have amounted to \$3,225,000 - that is, since 1911.

15

Q. Now, can you give me on what basis the pensions are awarded. I notice sometimes a man gets \$10 and sometimes \$20 per month - on what basis?

20

A. We have no definite basis on which pensions are paid. When a man comes to the age that he has to retire, has to quit work, he makes application to be given an allowance and we check up his service and if he has been with the company continuously for 20 years or more previous to leaving our employ and is of the age of 60 years, or more, we then consider that he is entitled to be given an allowance and we base that allowance on the last one per cent. of his last average 10 years' earnings for each year of service.

25

THE COMMISSIONER: One per cent.?

30

THE WITNESS: One per cent. on his average of the last ten years of earnings, one per cent. for each year of service.

MR. HEWARD: Can you explain it more fully?

was considering the other story. I am a business

the difference that had been paid by this company

some time ago, but I have not been able to find out

any more about it, and I am not sure

that is not preferred ---

the matter is not settled. The

difference that has been paid on the common stock,

which is usually paid in of an interest in the shares

has amounted to \$2,325,000 - that is, since 1911.

Now, if you give us an exact date for the payment

of the interest, I will be glad to give you the

and the time that it is due - on what basis?

we have no definite basis on which payments are

made. When a man comes to the age that he has to

retire, he is not paid, he makes application to

we give an allowance and we check up his service

and if he has been with the company continuously

for 20 years or more previous to leaving our employ

and is of the age of 60 years, or more, we then

consider that he is entitled to be given an allowance

and we base that allowance on the last one per cent.

of his last average 10 years' earnings for each year

The Board of Directors has not yet decided.

The Board of Directors has not yet decided on the amount of

the fund for the purpose of making these payments, but

will have to decide on that.

Mr. H. H. Smith: Can you give us the same thing?



One per cent. in respect of each year of service.

THE COMMISSIONER: 20 years would be 20 per cent.

I understand now.

5 THE WITNESS: But it should be understood that we are not binding ourselves to that basis, we are using it.

10 MR. MORRIS: It seems to have fluctuated, sometimes there would be a lot more paid out one year than another. We have one year \$4,150 paid out and the next year \$851.

15 THE WITNESS: This basis I am speaking of is only in effect from 1930. Previous to that it was just at the discretion of the manager of the mill.

Q. The manager of the mill? A. I understand so. Possibly I should not state that definitely under oath. That is my understanding.

20 Q. Whose discretion is it at now? A. At the present time we prepare this list and put it before the Board of Directors and resolution passed by the Board before any allowance is paid.

25 Q. How do you select from the waiting list the men who should get a pension? A limit of \$30,000 has been put on now. That necessarily creates a waiting list and people make application, want to get on - how are they selected? A. Simply put on the waiting list with their record registered there and as far as possible we take them in the order that they make application.

30

the 100 cents. in payment of each year of service.

The 100 cents. in payment of each year of service.

I understand now.

The 100 cents. in payment of each year of service.

and not thinking ourselves as that best, we are now

It seems to have. I understand, however,

and a would be a lot more than one year from

another. It seems to have. I understand, however,

and a would be a lot more than one year from

The 100 cents. in payment of each year of service.

in order to have. I understand, however,

at the discretion of the manager of the mill.

The manager of the mill. I understand, however,

so. Possibly I should not state that definitely

under oath. That is my understanding.

A. At the present time we propose this list and put it before

the Board of Directors and resolution passed by the

Board before any allowance is paid.

How do you expect from the existing list

the men who should get a pension? A list of 100.

has been put on now. That necessarily creates a

existing list and has to make application, and to get

on - how can they get on?

The list of 100 men in record registered there

and the list of 100 men in record registered there

and the list of 100 men in record registered there



Q. What would there be to interfere with taking them in the order of application? A. I don't know.

Q. If otherwise eligible? A. I don't know of anything.

MR. HEWARD: Q. Would the necessity of any particular case have anything to do with it? A. It very possibly would.

MR. McRUER: Q. But you say that a man must be 60 years of age? A. Except in exceptional cases. In case of sickness we have made exceptions.

THE COMMISSIONER: I notice your president's address when the pensions were awarded - in consequence of age or sickness.

MR. HEWARD: How many persons are there now who have applied for retiring allowance to whom allowances are not being paid at the present time?

THE COMMISSIONER: Do you mean simply on waiting list or who have been refused?

MR. HEWARD: Includes both - persons who have applied for retiring allowance and have not been paid retiring allowance - how many names? A. 38 names as prepared from our files.

MR. RAYMOND: Q. Have they been refused or just on the waiting list? A. Some on the waiting list and some have been refused.

MR. McRUER: Q. Just one question in reference to this question of repairs and maintenance, I am looking at the pay roll for the two weeks ending February 5th,





1.33, that was sent to the Price Spreads Inquiry and there is a classification of departments under maintenance, the total actual wages paid is \$10,167.45. Now, your total pay roll for that column, the total actual wages paid, was \$28,150, so that you see more than a third comes under maintenance for that year 1933. Now, that could not be ordinary maintenance of plant, could it? An amount equal to more than a third of the whole of the pay roll. The largest other item in the column is weavers, \$6,465.05. Now, can you explain to me what that item of \$10,000 was that was carried into the regular pay roll at that time.

MR. HEWARD: What fortnight was that?

MR. McRUER: 25th February, 1933.

THE WITNESS: I would be obliged to check the pay roll to find that out. I would say off-hand that this is a complete extract of our pay roll and it is quite possible that part of that item there is chargeable to new machinery. In 1933, we were erecting new machinery and there is no item here for new machinery and therefore it is quite possible all that maintenance cost has been lumped in one item.

MR. HEWARD: Not the cost of new machinery but the wages paid to the erectors.

MR. McRUER: Would that be carried into your ordinary or paid out of your ordinary revenue account to your operating account? A. No.

1.5, that was sent to the Police Service Inquiry and

there is a list of names of departments under

main branch, the Police Service Inquiry is \$10,157.45

and, that, that was sent to the Police Service Inquiry

Police Service Inquiry, was \$10,157.45, so that you see there

was a list of names of departments under

main branch, that was sent to the Police Service Inquiry

of which, that was sent to the Police Service Inquiry

and, that, that was sent to the Police Service Inquiry

other list is the names of the Police Service Inquiry, \$10,157.45

and, that was sent to the Police Service Inquiry, \$10,157.45

and that was sent to the Police Service Inquiry, \$10,157.45

time.

Mr. [Name]: That is correct, is that?

Mr. [Name]: Yes, that is correct, 1958.

Mr. [Name]: I would be obliged to check the

pay roll to find out.

That is a complete extract of our pay roll and it

is quite possible that part of that list there is

chargeable to new machinery. In 1958, we were working

new machinery and there is no item here for new

machinery and the above it is quite possible all that

machinery cost was over \$100,000 in 1958.

Mr. [Name]: Not the cost of new machinery but the

cost paid to the owners.

Mr. [Name]: Could that be carried into your own

to find out if that machinery revenue account to your



THE COMMISSIONER: Q. That means the installation of new machinery, does not it? You say that would not be paid out of your ordinary operating? A. No, installation of new machinery would be charged to new machinery account.

MR. McRUER: Q. It is down here as maintenance in any case but, however, you have, I take it, a manufacturing account that you keep, summarized in quarterly statements? A. Yes.

MR. McRUER: Now, I would like to have this account since 1926, for each year since 1926, these quarterly summaries. It is the same thing I got from Montmorency.

MR. BALLANTYNE: Why don't you send someone in to get the information?

THE WITNESS: You are asking the biggest kind of a job.

MR. AIRD: You cannot do it with the staff you have got, Mr. Gurnham.

MR. McRUER: I got it from Montmorency.

MR. AIRD: But you want it from 1926?

MR. McRUER: I got it from 1926.

MR. AIRD: Another thing you got from an old established company, whereas this company reorganized---

MR. McRUER: If you find you cannot produce it except at a very great expense, let me know.

THE WITNESS: What you want is our manufacturing account quarterly from 1926 to 1936?

Q. Yes. A. That is not nearly as difficult





as that break-down on repairs.

MR. AIRD: No, but one thing on top of another.

5 THE WITNESS: That breakdown on repairs still sticks  
in my mind. To ask for a breakdown in repair account  
I don't know what is wanted.

MR. McRUER: I want to get a classification,  
anything that will indicate to me what there was \$300,000  
of worth of repairs.

10 MR. HEWARD: No, not \$300,000 of repairs, equipment -

MR. McRUER: And equipment in the one year.

THE COMMISSIONER: How much for repairs in that  
return?

15 MR. McRUER: The operating statements that I refer  
you to will give it.

THE COMMISSIONER: Are they large amounts?  
You say this \$300,000, part of that is for repairs and  
what percentage for repairs?

20

25

30

as far as down on repairs.

Mr. BRYDIE: No, but one thing on top of another.

in my mind. To get for a condition in repair according

I don't know what is wanted.

Mr. BRYDIE: I want to get a classification.

anything that will indicate to me as there was \$20,000

of work of repairs.

Mr. BRYDIE: No, not \$20,000 of repairs, equipment

Mr. BRYDIE: And equipment in the two years.

THE COURT: Now when for repairs in that

Mr. BRYDIE: The operating statements that I refer

you to will give it.

THE COURT: The two years' work.

You say it is \$200,000, part of that is for repairs and

what percentage for repairs?

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BY MR. McRUER: Q. In that instance there was \$57,000 in repairs and \$246,000 in equipment; the equipment is in the same category; that is charged to operating account too? A. I am not so much interested in the equipment account because that is largely -- in fact, it is entirely purchase and can be got at.

THE COMMISSIONER: That is what you might call machine equipment, is it not, things that go on to the machines?

MR. HEWARD: Bobbins.

MR. AIRD: That is exactly what they are, sir.

THE COMMISSIONER: That is the kind of equipment you mean; what does repairs mean, generally?

A. It is the necessary repairs to keep the machinery in operation.

Q. On the machinery? A. The machines are continuously breaking down.

MR. AIRD: Repairs to the shafts, repairs to motors.

BY MR. McRUER: I can understand your item for repairs in that year, \$57,000 but I do not understand your item for equipment, \$246,000.

THE COMMISSIONER: The witness says that will be easy to get at.

THE WITNESS: I can give you details of what equipment was bought in that year and the general explanation of it is on account of the change in machinery, that the old equipment could not be used.

MR. AIRD: 1930, was that, Mr. McRuier?

BY MR. MORRIS: In that instance, the

\$27,000 is the cost of the equipment;

the equipment is in the hands of the

to be used for the purpose of

information is not sufficient to show that it

is not, it is not, it is not, it is not

be got at.

The equipment is not, it is not, it is not

machine equipment, is it not, it is not, it is not

the machine?

MR. MORRIS: Yes.

MR. ALLEN: That is exactly what I am, is it.

The equipment is not, it is not, it is not

You mean, that does require some, doesn't it?

A. It is the necessary result to keep the machine

in operation.

.. On the machine?

continuously breaking down.

MR. ALLEN: I am not, I am not, I am not

answer.

BY MR. MORRIS: I am not, I am not, I am not

machine in that case, but I am not, I am not

your idea for equipment, then, is it?

MR. MORRIS: The machine is not, it is not

easy to get at.

MR. ALLEN: I am not, I am not, I am not

equipment is not, it is not, it is not

operation of it is not, it is not, it is not

machine, that the old equipment would not be used.

MR. MORRIS: I am not, I am not, I am not



MR. McRUER: 1931, rather. In 1930 there is an item of \$159,000 for repairs and \$60,000 for equipment. There we get \$100,000 more for repairs that year than in any one of the succeeding three years and 1929 \$151,000 for repairs.

MR. AIRD: That is easily explained to some extent, Mr. McRuer; 1931, you are talking about that you had heavy repairs?

MR. McRUER: No, 1930 was \$159,000 and 1931 \$57,000.

MR. AIRD: I cannot explain that. Have you got 1933 there for repairs?

MR. McRUER: \$42,000. Those sheets, those quarterly sheets will tell us. They are supposed to have everything, nothing that isn't on them. You have got the quarterly sheets.

MR. AIRD: It is a question of whether they kept the quarterly sheets for the back years. We don't know whether they have them or not.

MR. McRUER: This is just since the better management started in 1930.

MR. HEWARD: You asked for 1926, though.

MR. McRUER: I want to get the quarterly sheets from 1926 if they are available.

THE COMMISSIONER: Are you through, Mr. McRuer?

MR. McRUER: Yes.

THE COMMISSIONER: Then, before we break up what about next week? You see, we had intended to be in Montreal to-day and to-morrow for a certain

Q. Now, in 1930 there is  
an item of \$125,000 for repairs and \$50,000 for equip-  
ment. There was also \$100,000 more for repairs  
that year than in any one of the preceding three years  
and 1931 \$151,000 for repairs.  
A. Right: That is easily explained to some extent.  
Mr. McNair: 1931. You are talking about that year had  
heavy repairs?  
A. Mr. McNair: No, 1930 was \$125,000 and 1931  
\$151,000.  
Mr. McNair: I cannot explain that. Have you got  
1932 there for repairs?  
A. Mr. McNair: \$40,000. There were others, those  
repairs were all right. They are supposed to  
have everything, nothing that isn't on there. You  
have got the quarterly sheets.  
A. Right: It is a question of whether they kept  
the quarterly sheets for the bank years. We don't  
know whether they have them or not.  
Mr. McNair: This is just since the better times  
went started in 1930.  
Q. Now, you speak for 1930, though.  
A. Mr. McNair: I want to get the quarterly sheets  
from 1930 if they are available.  
THE COMMISSIONER: Are you finished, Mr. McNair?  
A. McNair: Yes.  
THE COMMISSIONER: Then, before we break up  
what about next week? You see, we had intended to  
be in Montreal to-day and to-morrow for a certain

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specific inquiry there, the Belding Corticelli Company. We expect some time early next week to resume in Montreal. What is the suggestion now?

5 MR. McRUER: I would suggest that we resume in Montreal early next week for the purpose of concluding if possible as far as we can go with the Dominion Textile's affairs.

THE COMMISSIONER: What about this Belding Corticelli Company, haven't they been notified?

10 MR. BEAUREGARD: They have been notified with no date set.

MR. HEWARD: If I might make this suggestion, your lordship --

15 MR. McRUER: I was just going to say it does not make much difference to me whether we go on with the Belding Corticelli first or not. It does help me a little bit to do that.

- THE COMMISSIONER: What do you have to say, Mr. Heward?

20 MR. HEWARD: I was going to suggest this, we will do our best to get ready our case to meet certain points that have been brought against us here and if your lordship decided to sit on the Belding Corticelli investigation in the early part of next week we might  
25 be ready to go on in the latter part of next week.

THE COMMISSIONER: I can certainly not be in Montreal on Monday and I don't think Tuesday so supposing we have Wednesday morning in Montreal; what  
30 had we better go on with?

MR. HEWARD: We could be ready Wednesday morning.

...the inquiry there, the holding Court will ...  
...the next time early next week to ...  
...that is the suggestion now ...  
...I would suggest that we resume in ...  
...the purpose of ...  
...it possible as far as we can go with the ...  
...the ...  
...that about this ...  
...they have been notified ...  
...they have been notified with no ...  
...case ...  
...I might take this suggestion, ...  
...--  
...I was just going to say it does not ...  
...make much difference to me whether we go on with ...  
...the holding Court will ... it does help ...  
...a little bit to do that ...  
...that do you have to say, ...  
...?  
...I was going to suggest this, ...  
...do our best to get ready our case to ...  
...points that have been brought ...  
...your ...  
...be ready to go on in the latter part of next week ...  
...I am certainly not ...  
...Montreal on Monday and I don't think ...  
...supposing we have ...  
...and we better go on with ...

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your lordship to go ahead with this mill here.

THE COMMISSIONER: How would that do, Mr. McRuer?

MR. McRUER: What was the suggestion?

MR. HEWARD: I said we could be ready on Wednesday morning to go ahead with this mill.

MR. McRUER: I think it would be highly desirable then to finish this one.

THE COMMISSIONER: Would one day finish this one?

MR. HEWARD: I would hope so, your lordship.

THE COMMISSIONER: If it would then we might take up this other company.

MR. McRUER: I was going to suggest we proceed right directly with Dominion Textiles and try and finish the financial records of the Dominion Textiles, and do that before we go on with a new company.

MR. HEWARD: Before we commit ourselves on that, your lordship, on the general phase of the question for the Dominion Textiles, and the questions of capital structure, tariffs, Japanese competition and the other matters which are still open, the general questions, we desire to have with us our senior counsel, Mr. Aime Geoffrion, and I have not found out yet what days he is going to be engaged in the Court of Appeal next week, but I know he is going to be some days there and I would not like to commit myself definitely to go ahead with that branch of the case.

THE COMMISSIONER: I am anxious to meet the convenience of all parties but we cannot keep on waiting for some counsel to be ready.

MR. HEWARD: I think we could get through in one day on Wednesday with the Montreal Cottons, and if





I could let you know Monday as soon as I saw Mr. Geoffrion, I know he is out of town this week.

5 MR. BEAUREGARD: I would suggest, my lord, that Mr. Geoffrion will appear before the court of appeals on the same floor we will be sitting and he may get his conge for half a day.

10 THE COMMISSIONER: The only thing is that beginning Wednesday morning in Montreal, I don't want to be told on Thursday there is nothing else to do because the Dominion Textile Company's counsel is not ready, and on the other hand, the Belding Corticelli Company have not been notified, and so on.

15 MR. HEWARD: Supposing we go ahead with the Montreal Cottons on Wednesday and then take the Belding Corticelli afterwards. I will speak to Mr. Geoffrion as soon as I get in touch with him when I get back to Montreal and I will undertake to communicate with Mr. Whiteley wherever I am told he is and let him know.

20 THE COMMISSIONER: What have you to say, Mr. McRuer?

MR. McRURER: I must say while I have tried to show my friends every consideration he is certainly asking something I would not ask the commission for myself and have not asked for.

25 MR. HEWARD: What was that?

30 MR. McRURER: That is to throw out the whole procedure. I think it will just ruin the week if we start trying to do that. After all we have all got our limitations and we are prepared to go on to start in with a new company after we have been through this one but I want to finish up the Dominion Textiles.

I could let you know Monday or Tuesday as I saw Mr.

Geoffrey, I saw him on one of these days.

Mr. Geoffrey: I would be glad to see you, but I

Geoffrey will appear before the court of appeals on

the same floor as will be sitting and he may get his

change for half a day.

Mr. Geoffrey: The only thing is that beginning

Wednesday morning in Montreal, I don't want to go to

on Thursday there is nothing else to do because the

Hamilton Textile Company's annual is not ready, and

on the other hand, the Hamilton Textile Company

have not been notified, and so on.

Mr. Geoffrey: I suppose we go ahead with the

Hamilton Textile Company on Wednesday and then take the

corporate statement. I will go to Mr. Geoffrey

as soon as I get in touch with him when I get back

Monday and I will undertake to communicate with Mr.

Whitely wherever I see him in and let him know.

Mr. Geoffrey: That have you to say, Mr. Geoffrey?

Mr. Geoffrey: I must say while I have tried to do

my friend every conscientious he is certainly making

something I would not ask the commission for me if

and have not asked for.

Mr. Geoffrey: That was that?

Mr. Geoffrey: That is it, there are the whole thing

and. I think it will just take the week if we

start trying to do that. When all we have all the

our limitations and we are expected to go on to start

in with a new company when we have been through

and we are not going to start on the Hamilton Textile



Now, I can say if I do go on on Thursday with Dominion Textiles that my plan will be to read into the record something of the history of the Dominion Textile Company. Now, I don't think Mr. Geoffrion will be inconvenienced in the slightest about that for at least a day. It will take us a day or more.

THE COMMISSIONER: That will bring us to Friday.

MR. McRUER: That will bring us to Friday, and then I propose to examine some witnesses to explain some things that are not clear on the face of them and it may take us even longer than Friday, but to start in with Belding-Corticelli, well, one knows ~~when~~ one gets started with a new company things turn up in it, and we never know.

THE COMMISSIONER: Alright. Then, we will begin then Wednesday morning in Montreal beginning with this present company, that is the Montreal Cottons Company and going on with the Dominion Textile Company.

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-- The Commission adjourned at 6.45 p.m., Friday, May 29, 1936 to resume in Montreal on Wednesday, June 3, 1936.

...and my plan will be to send it to the ...  
...of the history of the ...  
...I don't think ...  
...in the ...  
...it will take me a day or two.

...that will bring us to ...  
...I propose to ...  
...the ...  
...may take us even longer than ...  
...of ...  
...with a new company ...  
...and we never know.

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...May 20, 1906 ...  
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ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

FORTY - FIRST DAY

(June 3, 1936)

Robert Brydie,  
Official Reporter.

I 1941

RECEIVED BY THE CHARTERED ACCOUNTANTS

HOW. NO. TO FIVE C.E.A. FIVE.

Accountant,

Secretary, Secretary,

RECEIVED BY THE CHARTERED ACCOUNTANTS

[Name, 1941]



5468

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

A p p e a r a n c e s :

J.C. McRuer, K.C. and )

E. Beauregard, K.C. ) Commission Counsel.

J.P. Lanctot, K.C.

For Special Committee of  
Primary Textile Industries.

C.G. Heward, K.C. )

Aime Geoffrion, K.C. )

and )

C.T. Ballantyne, )

For Dominion Textile Co.  
and Montreal Cottons,  
Company, Limited.

S.G. Dixon, K.C. )

For Courtaulds Limited,

L.A. Fobyth, K.C. )

For Canadian Celanese Ltd.  
and Canadian Silk Products  
Limited.

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2477

STATE COMMITTEE OF THE TEXTILE INDUSTRY

Mr. J. H. ...

...

...

MEMBERS

J. C. Warner, R.C. and  
 J. H. ...

For Special Committee of  
 Primary Textile Industries.

C. G. ...  
 and  
 ...

For Canadian ...  
 and ...

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Montreal, P. Quebec,  
Wed. June 3, 1936.

-- The Commission resumed at 10 A.M.

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THE COMMISSIONER: Well, Mr. Mcduer?

MR. McRUER: Mr. Heward, I understand, is going  
to commence this morning with some evidence he wishes  
to offer with reference to the Montreal Cottons  
situation.

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MR. HEWARD: I will call Mr. Aird, my lord.

----

WILLIAM G.E. AIRD, recalled,

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EXAMINED BY MR. HEWARD:

Q. Mr. Aird, you have already been sworn? A. Yes.

Q. I think you told us in Valleyfield, that you had  
been with Montreal Cottons, Limited, since 1932?

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A. August, 1932.

Q. In what capacity, Mr. Aird? A. Until March,  
1934, as manager; from August, 1932, until March, 1934,  
as manager, and from then on general manager.

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Q. And, prior to that, what was your experience  
in the Textile Industry? A. I was 7 years

down at the Montgomery Mill, and 21 years at Vabasso  
Cotton in Three Rivers.

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Q. Now, Mr. Aird, will you tell us, what was the  
total number of employees at the Valleyfield Mill of  
the Montreal Cottons Limited, in 1935 for the period

-- The Commission received at 10.11.

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in respect of which you made return to the Census of Industry? A. A total of 2,476 employees.

Q. Now, will you file as Exhibit --

THE COMMISSIONER: Exhibit 321. That is it, Mr. Heward?

MR. HEWARD: It is a statement showing the classification of employees by wage groups for the fortnight ending December 14th, 1935.

Q. On the left hand column I see you have the category of workers classified by their earnings--

BY THE COMMISSIONER: Q. How many did you say there were? A. 2,476.

BY MR. HEWARD: Q. Before I deal with the categories will you state how those workers were divided between men and women? A. We had 67.65 of male and 32.35 of female.

Q. Those are percentages? A. Yes, percentages.

Q. Now, you are asked in the Census of Industry return to show what percentage of the employees falls into a particular wage classification? A. Yes.

Q. The first one is under \$7.00 a week, that is, \$6.99 or less; what percentage of the whole of your pay roll was under that figure? A. 4 per cent.

Q. And then the next one was more than \$6.99 and up to \$9.99, that is to say, from \$7.00 to \$9.99 what percentage was that? A. 21.85 per cent.

Q. That is per week, of course? A. Yes.

Q. \$6.99 to \$9.99 per week? A. Right.

2470  
Airtel

in respect of which you made return to the Census  
of Industry? ... a total of 2,470 employees.

... the ...

The ... 2470 ... that is ...

...

... it is a statement ...  
... of employees by ...  
... 1941.

... on the left hand column I see you have the

category of workers classified by their earnings--

By ... How many did you say were

...

By ... the categories

Will you state how those workers were divided between

men and women? ... 87.50 of male and

87.50 of female.

... Those are percentages? ... 100, percentages.

... Now, you are asked in the census of industry

return to state what percentage of the employees fall in

into a particular ...

... The first one is under 5.00 a week, that is,

5.00 or less; what percentage of workers of your

... fall was under that figure? ... 100.

... And then the next one was from 5.00 to

up to 10.00, was it so say, from 5.00 to 10.00 what

percentage was that? ... 10.00 per cent.

... That is per week, of course? ... Yes.

... 10.00 to 15.00 per week? ... 10.00.

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Aird

Q. More than \$9.99 and up to \$11.99, what percentage

A. 20.76 per cent.

Q. More than \$11.99 per week and up to \$14.99 per week?

A. 23.55 per cent.

Q. And over \$14.99 per week, what percentage?

A. 29.84 per cent.

THE COMMISSIONER: That is the same exhibit, is it not?

MR. HEWARD: Yes, my lord, that is the same exhibit. I have forgotten the number now.

THE COMMISSIONER: Exhibit 321.

MR. HEWARD: 321, yes.

EXHIBIT 321: Statement showing classification of employees by wage groups.

BY MR. HEWARD: Q. Now, will you file as Exhibit 322 a statement showing the number of hands at the Montreal Cottons, Limited, during each month of the year, 1929, and each month of the year, 1935?

A. Yes.

Q. For the year 1929, what was the average actual number of male employees employed throughout the year, the average per fortnight?

A. 1516.

Q. And of female employees?

A. 867.

Q. And the total average?

A. 2383.

THE COMMISSIONER: That is another exhibit, I suppose?

MR. HEWARD: Yes, this will be Exhibit 322, your lordship.

THE COMMISSIONER: What is it, Mr. Heward?

MR. HEWARD: It is a statement showing the number

5471  
kind

Q. More than \$11.00 and up to \$11.00, what percentage?  
A. 20.78 per cent.  
Q. More than \$11.00 per week and up to \$14.00 per week?  
A. 23.55 per cent.  
Q. And over \$14.00 per week, what percentage?  
A. 29.04 per cent.

THE COMMISSIONER: That is the same exhibit, is it?  
MR. BRYDIE: Yes, my lord, that is the same exhibit.  
I have forgotten the number now.  
THE COMMISSIONER: Exhibit 321.

EXHIBIT 321: Statement showing classification of employees by wage groups.  
BY MR. BRYDIE: Now, will you file as Exhibit 322 a statement showing the number of hands at the Montreal Cottons, Limited, during each month of the year, 1932, and each month of the year, 1933?

Q. For the year 1932, what was the average number of male employees employed during the year?  
A. 1,111.  
Q. And of female employees?  
A. 537.  
Q. And the total average?  
A. 1,648.

THE COMMISSIONER: That is another exhibit, I suppose.  
MR. BRYDIE: Yes, this will be Exhibit 323, your

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Aird

of hands employed each month during the year 1929,  
and each month during the year 1935.

THE COMMISSIONER: Both years?

MR. HEWARD: It is a comparative statement, your  
lordship.

THE COMMISSIONER: What do they show?

MR. HEWARD: The average number employed per month  
was 1516. That is for the year 1929; 867 women,  
or a total of 2383.

THE COMMISSIONER: That is for 1929?

MR. HEWARD: Yes, my lord.

BY MR. HEWARD: Q. Now, what was the average monthly  
total? By the way, I said "fortnightly" above.  
That should be monthly. That was the average monthly  
total of men for 1935? A. 1657.

Q. And of women? A. 772.

Q. And the total? A. 2429.

Q. Now, if that was made on the basis of a 55-hour  
week, all working a full week of 55 hours in 1935 what  
would have been the average number of men employed?  
A. 1297.

Q. And of women? A. 688.

Q. And the total? You might figure that, please?  
A. 1985.

THE COMMISSIONER: On what basis are those last  
figures made, Mr. Heward?

MR. HEWARD: The first figure given for 1935 was  
the actual number employed, the actual number on the

of those who were each month during the year 1933,  
and each month during the year 1934.

MR. WATSON: It is a comparative statement, your  
foreman.

THE COMMISSIONER: What do they show?

MR. WATSON: The average number employed per month  
was 1933. That is for the year 1933; 887 women,

or a total of 2303.

THE COMMISSIONER: What is for 1934?

MR. WATSON: Yes, my lord.

BY MR. WATSON: Now, what was the average monthly

total? By the way, I said "fortnightly" above.

That should be monthly. That was the average monthly

total of men for 1933? A. 1937.

.. And of women? A. 773.

.. And the total? A. 2630.

.. Now, if that was made on the basis of a 40-hour

week, all working a full week of 40 hours in 1933 was

could have been the average number of men employed?

A. 1937.

.. And of women? A. 688.

.. And the total? You might figure that, please?

1933.

THE COMMISSIONER: On what basis are these last

figures based, my lord?

MR. WATSON: The figures given for 1933 are

the actual number employed, my lord, and for 1934

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pay roll, and the next figure is reducing it to what the figure would have been, if they had all worked full time on a 35-hour week basis instead of working broken time.

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EXHIBIT 322: Statement showing number of hands employed each month during years 1929 and 1935.

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Q. Now, certain of the witnesses, Mr. Aird, referred to lack of dressing rooms in the past, and said that there were no dressing rooms. That is the situation in that regard?

A. We started late in February of this year to construct dressing rooms throughout the plant.

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Q. Now, we also had evidence of the fact that the Company rented houses to its employees. How many houses does the company rent to its employees?

A. 200.

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Q. Will you file, as Exhibit 323, a statement giving information in regard to cottages, in respect of the year 1935? A. Yes. The total receipts were \$31,809.32; the average yearly rental being \$159.35, the average rental was \$13.25.

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EXHIBIT 323: Statement in regard to cottages for year 1935.

Q. Now, I take it that some of those cottages were rented to superintendents, and foremen, and members of the office staff, is that right?

A. Yes.

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Q. How many? A. There were 42.

Q. And what was the average yearly rental of those cottages that were rented to superintendent, foremen

1170

3475

pay roll, and the next figure is reducing it to what the figure would have been, if they had all worked full time on a 32-hour week basis instead of working broken time.

Statement showing number of hours employed each month from 1937 and 1938.

Now, certain of the witnesses, Mr. King, referred to lack of dressing rooms in the past, and said that there were no dressing rooms. That is the situation in that regard?

He started late in February of this year to construct dressing rooms throughout the plant.

Now, we also had evidence of the fact that the Company rented houses to its employees. How many houses does the company rent to its employees?

Will you file, as Exhibit 323, a statement giving information in regard to cottages, in respect of the year 1937? Yes. The total number of cottages was 101, 300.30; the average yearly rental being \$100.00, and the average rental was \$100.00.

EXHIBIT 323: Statement in regard to cottages for year 1937.

Now, I take it that some of those cottages were rented to superintendents, and foremen, and members of the office staff, is that right?

How many?



and office staff? A. \$211.20.

Q. And the average monthly rental? A. \$17.60

Q. Now, the balance I take it was rented to other employees? A. Right.

Q. And how many cottages were rented to other employees? A. 158.

Q. And what was the average yearly rental for those cottages? A. \$145.20.

Q. And the average monthly rental? A. \$12.10.

Q. Now, what is the lowest rental charged per month? A. \$6.50.

Q. And the highest rental charged on all cottages, to foremen, or others? A. \$25.00.

Q. Per month? A. Per month.

Q. Now, in regard to taxes paid in Valleyfield, I understand that you paid municipal and school taxes? A. Yes, sir.

Q. What is the municipal tax year? A. It ends 31st December each year.

Q. And the school tax year? A. Ends on the 1st of July, each year.

Q. Now, taking the year ending 31st December, 1935, for the Municipal taxes, and the year ending 31st July, 1936, for the school taxes, what is the total amount of taxes that your company has paid? A. \$81,685.23.

Q. Divided as between municipal and school taxes into what? A. Municipal taxes of \$48,644.64.

Q. And school taxes? A. \$33,040.59.

Q. Now, the balance I have is as rented to other employees? .. right.

A. And how many cottages were rented to other employees? .. 138.

Q. And what was the average yearly rental for those cottages? .. \$145.80.

A. And the average monthly rental? .. \$12.15.

Q. Now, what is the lowest rental charged per month? .. \$6.50.

A. And the highest rental charged on all cottages, to yourself, or others? .. \$20.00.

Q. Per month? .. per month.

A. Now, in regard to taxes paid in Wellsville, I understand that you paid municipal and school taxes? .. Yes, sir.

Q. What is the municipal tax year? .. It ends last December each year.

A. And the school tax year? .. ends on the 1st of July, each year.

Q. Now, what was the total amount paid for the municipal taxes, and the year ending last July, 1936, for the school taxes, what is the total amount of taxes that your company has paid? .. \$201,333.23.

Q. ... ..

A. ... ..

Q. ... ..

A. ... ..

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Q. Will you file that statement as Exhibit 324?

A. Yes.

THE COMMISSIONER: What is that, Mr. Heward?

MR. HEWARD: Statement of taxes, my lord.

THE COMMISSIONER: Taxes for 1935?

MR. HEWARD: It is the overlapping year, 1935 and for the school taxes July 1st, 1936.

EXHIBIT 324: statement of municipal and school taxes.

BY MR. HEWARD: Q. Some of the employees, Mr. Aird, in their evidence spoke of an increase in the number of looms, or spindles, per operative, which had taken place they said throughout the last five years. What have you to say in that regard; has there been such an increase?

A. There has been an increase.

Q. When did it commence? A. It started probably in 1931.

Q. And what was the nature of the increase, what did it result from? A. Well, where extra looms or spindles were given to an operator certain other work was removed so that they did not have more to look after than before, in fact, in some cases they now have less.

Q. What was the basis on which you took away work from an operator and allowed a certain class of work to remain? I mean, take a weaver, what was the change in the nature of the weaver's work?

A. Well, a weaver at the present time has got nothing else to do but operate the loom.

.. All you this that statement as Exhibit 2222  
.. yes.

.. That is the, Mr. Brydie?  
.. Yes, that is the, Mr. Brydie?  
.. Yes, that is the, Mr. Brydie?

.. Yes, that is the, Mr. Brydie?  
.. Yes, that is the, Mr. Brydie?  
.. Yes, that is the, Mr. Brydie?

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They have not got to bother with the removing of the cuts of cloth from the loom; they have not got to remove bobbins, and filling boxes; they have not got to clean, they have not got to oil; they have not got to look after floors, and so on.

Q. And did they have to do those other things prior to the increase in the number of looms? A. Yes.

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Q. So that it was a case of leaving the skilled work to be done by skilled workers and having the less skilled workers do the other classes of work; that was the system adopted? A. Right.

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Alfred

... they have not got to  
remove bobbins, and filling boxes; they have not got  
to clean, they have not got to oil; they have not got  
to look after floors, and so on.  
... and did they have to do those other things prior  
to the increase in the number of looms?  
A. Yes.  
... that it was a case of leaving the skilled  
work to be done by skilled workers and having the  
less skilled workers do the other classes of work;  
that was the system adopted?  
A. Right.

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Q. Now, will you file as Exhibit 325 a comparison of the number of hands and wages paid to weavers in the year 1929 and the year 1935 by fortnight. The number of hands and wages paid to weavers in the year 1929 as compared with the year 1935? A. Yes.

EXHIBIT 325: Comparison of number of hands and wages paid to weavers in the year 1929 as compared with 1935.

Q. Now, what were the actual number of weavers employed in 1929? A. 514.

Q. And the actual number employed in 1935? A. 263.

Q. Now, I take it that in 1929 that the actual number of weavers employed included the weavers who were doing all the various accessory jobs that you spoke of such as cleaning, &c.? A. Right.

THE COMMISSIONER: Q. What was the number in 1929, A. 514.

Q. And for 1935? A. 263.

MR. HEWARD: Q. Now, what was the average wage per operative per fortnight of 110 hours - that is to say per weaver per fortnight of 110 hours in 1929? A. \$30.70.

Q. And in 1935? A. \$29.60.

Q. That is, actual wages per 110 hours? A. Yes, that is the average.

Q. In 1935, if that were reduced to a basis of full time employment, how many weavers would have been employed in place of the 263 that were employed. A. 210.

Q. And what would their average wage per 55 hours have been? A. 110 hours.

1937

1937

Q. Now, will you file as Exhibit 22 a comparison of the number of hours and wages paid to weavers in the year 1935 and the year 1936 by treatment. The number of hours and wages paid to weavers in the year 1935 as compared with the year 1936? A. Yes.

Q. Now, what were the actual number of weavers employed in 1935? A. 314.

Q. And the actual number employed in 1936? A. 355.

Q. Now, I take it that in 1935 that the actual number of weavers employed included the weavers who were doing all the various necessary jobs that you spoke of such as cleaning, etc.? A. Right.

Q. What was the number in 1935? A. 314.

Q. And for 1936? A. 355.

Q. Now, what was the average wage per operative per fortnight of 110 hours - that is to say per weaver per fortnight of 110 hours in 1935? A. \$30.00.

Q. And in 1936? A. \$32.00.

Q. That is, actual wages per 110 hours? A. Yes, that is the average.

Q. In 1935, it was reduced to a basis of full time employment, how many weavers would have been employed in place of the 304 that were employed? A. 310.

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Q. Per 110 hours I mean? A. \$37.10.

Q. Now, we heard complaints from one or two witnesses that in the weave room there was moisture on the walls in wintertime - what have you to say about that?

A. In this part of Canada, owing to the cold weather during the winter time there is moisture on the inside of the outside walls - that is, the walls which are exposed to the cold and the wind.

Q. You mean that applies generally when you say "in this part of Canada," generally in the textile?

A. Any mill I worked in have been in that condition.

Q. In weave rooms? A. Weave rooms only.

Q. Why is that? A. For satisfactory operating of weave room in which cotton fabrics are being produced you have to maintain between 65 and 75% of humidity.

Q. This percentage of humidity in the room and cold air coming through the walls which causes moisture to form - you mean there are chinks in the wall?

A. No.

Q. The air does not come through if there are no chinks - you mean cold coming through? A. Yes.

Q. What is the thickness of the walls in your weave room? A. This weave room that man referred to run between 30 and 36 inches thick, built of stone.

THE COMMISSIONER: You have told us the density of moisture you must maintain - what degree of temperature must you maintain?

Q. Now, we heard a question from one of the

witnesses that in the weave room there was moisture

on the walls in wintering - what have you to say

about that? A. In this part of Canada, wintering

to the cold weather during the winter time there is

moisture on the inside of the outside walls - that is

the walls which are exposed to the cold and the wind.

Q. You mean that applies generally when you say

"in this part of Canada," generally in the territory?

A. Yes, I would say in that condition.

Q. In what room?

A. In the weave room.

Q. Now, is it?

A. For wintering.

Q. This percentage of humidity in the room and

being produced you have to maintain between 50 and

70% of humidity.

Q. This percentage of humidity in the room and

being produced you have to maintain between 50 and

70% of humidity.

Q. Now, is it?

A. For wintering.

Q. This percentage of humidity in the room and

being produced you have to maintain between 50 and

70% of humidity.

Q. Now, is it?

A. For wintering.

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THE WITNESS: We try to maintain that in the neighborhood of 80 degrees.

MR. HEWARD: Q. In that connection, Mr. Aird, do you keep records of the temperature and relative humidity in your weave room? A. Yes, we have men who do nothing else.

Q. But keep those records? A. Yes.

Q. How many times did they take them during the day and how many times during the night?

A. Twice during the daytime and three times during the night.

Q. And a witness, Emily Pilon, who worked in the Louis Mill, fifth floor in the weave room, at page 5339 and following pages complained that in that room the temperature often went as high as 90 and that it averaged between 80 and 90 and that the humidity was very great. Have you had extracts made from your official record book as to the temperature and the relative humidity in January, February and March 1936, the months in regard to which that witness testified? A. I have.

Q. Will you produce the extracts that have been made for these three months as an exhibit? A. Yes.

EXHIBIT 326: Extracts of temperature for the months of January, February and March, 1936.

THE COMMISSIONER: The statement shows temperature and moisture? A.

MR. HEWARD: Temperature and humidity readings.

Q. Now, will you look at the records for January, 1936. I see four columns here dry-bulb

1935

THE ALBERTA: We try to maintain that in the  
neighborhood of 80 degrees.

MR. BARNARD: In that connection, Mr. Alton,  
do you keep records of the temperature and relative

humidity in your wave room?

Have men who do not mind else.

Has he kept those records?

Yes, Mr. Alton.

How long have you been keeping the records?

A. Twice during the daytime and three times during  
the night.

Q. And a witness, Mr. Alton, who worked in  
the Louis Mill, fifth floor in the wave room, at

that time the temperature often went as high as 90

and that it averaged between 80 and 90 and that the  
humidity was very great. Have you had experience

made from your official record book as to the  
temperature and the relative humidity in January,

February and March 1935, the months in regard to  
which that was the case?

Q. Will you produce the extracts that have been  
made for these three months as an exhibit?

A. Yes.

EXHIBIT 1336: Extracts of temperature for  
the months of January, February  
and March, 1935.

THE COURT: The statement shows temperature

and relative humidity.

Q. Now, will you look at the records for

January, 1935. I see four columns here in-cluded

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Aird

relating to the morning and dry-bulb relative humidity relating to the afternoon - what does dry-bulb mean? A. That is reading of the hydro-bulb.

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Q. What does that give? A. That is the temperature of the room.

Q. And relative humidity? A. Is the humidity in the room.

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Q. Now, will you look at January, 1936, and say what is the highest temperature which is shown for any day that week in that month in that room, either morning or afternoon? A. 82.

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Q. To run down the month, I see it ran February 3rd, 78 in the morning and 80 in the afternoon?

A. Right.

Q. The temperature on the 4th, 80 in the morning and no temperature taken in the afternoon because there is a note "room not running Saturday P.M."? A. Yes.

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Q. And on the 6th, 82 in the morning and 84 in the afternoon? A. Yes sir.

Q. Tuesday the 7th, 80 in the morning and 80 in the afternoon? A. Right.

Q. On the 8th, 78 in the morning, 80 in the afternoon? A. Yes sir.

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Q. On the 9th, 73 in the morning and 78 in the afternoon? A. Right.

Q. On the 10th, 76 in the morning and 76 in the afternoon? A. Yes.

Q. On the 11th--

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THE COMMISSIONER: You need not read all those. They will be in the exhibit.

and

relating to the morning and dry-bulb relative  
humidity relating to the afternoon - what does dry-  
bulb mean?

Q. What does that give?  
A. That is the  
temperature of the room.

Q. And relative humidity?  
A. Is the  
humidity in the room.

Q. Now, will you look at January, 1935, and  
say what is the highest temperature which is shown  
for any day that week in that month in that room,  
either morning or afternoon?

Q. No run down the month, I see it ran February  
and, 78 in the morning and 80 in the afternoon?

A. Right.

Q. The temperature on the 4th, 80 in the  
morning and no temperature taken in the afternoon  
because there is a note "room not running Saturday

1. Yes.

Q. And on the 5th, 82 in the morning and 84  
in the afternoon?

A. Yes sir.

Q. Tuesday the 7th, 80 in the morning and 80  
in the afternoon?

A. Right.

Q. On the 8th, 78 in the morning, 80 in the

A. Yes sir.

Q. On the 9th, 78 in the morning and 78 in the

afternoon?

A. Right.

Q. On the 10th, 78 in the morning and 78 in

the afternoon?

A. Yes.

Q. You need not read all

that will be in the exhibit.



MR. HEWARD: Q. Now, in regard to the month of February 1936, what is the highest temperature you see recorded there, either morning or afternoon, for that room? A. 80 degrees.

Q. And the month of March? A. 80 degrees.

Q. How often did it go up to 80 degrees in the month of March? A. Three times.

Q. I see on numerous occasions in those three months it ran around 74 on working days, is that right? A. Right.

Q. Now, as to the relative humidity, what do you say is normal relative humidity for a weave room? A. For a weave room in which cotton fabrics are being woven you should maintain between 65 and 75 degrees of humidity.

Q. Do you find anything higher than 75 in the relative humidity for January, 1936? A. No, don't go as high as 75.

Q. And in February 1936? A. Don't go as high as 75 degrees humidity.

Q. And in March, 1936? A. Not in that month either.

Q. Now, we have evidence, Mr. Aird, from a witness, Charles Plourde, who testified at page 5094 and following pages - he had been in the mill for about 11 months in 1932 and he said that he had worked in most departments through out the mill and he found at that time it was necessary for the employees to drink from the end of a hose and he instanced the Gault mill. What have you to say in regard to that statement?

A. I can say that statement is not correct, as we had either drinking

Q. Now, in regard to the month of February 1938, what is the highest temperature recorded there, either morning or afternoon, for that room? A. 82 degrees.

Q. How often did it go up to 80 degrees? A. I see on historical occasions in those three months it was around 75 or 76 on working days, is that right? A. Right.

Q. Now, as to the relative humidity, what is your say is normal relative humidity for a weave room? A. For a weave room in which cotton fabrics are woven, the relative humidity is about 70 to 75.

Q. No you find anything higher than 75 in the relative humidity for January, 1938? A. No, I don't go as high as 75.

Q. And in February 1938? A. Not in that high as 75 degrees humidity.

Q. And in March, 1938? A. Not in that high either.

Q. Now, we have evidence, Mr. Auld, from a witness, Charles Stouffer, who testified at page 2094 and following pages - he had been in the mill for about 11 months in 1938 and he said that he had worked in most departments through out the mill and he found at that time it was necessary for the employees to drink from the end of a hose and he mentioned that I have you to say in regard to that statement? A. I can say that statement is not correct, as we had either drinking

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fountains or taps from where our employees could obtain water for drinking purposes.

Q. In all departments? A. Throughout the mill.

Q. Were there hoses in some departments?

A. Yes sir.

Q. What are they used for? A. For washing down purposes.

Q. And you say, then, that the employees did not have to drink from these hoses because there were taps for drinking fountains in all departments?

A. Right.

Q. Now, what was the source of the water in those taps or drinking fountains? A. The water in the drinking fountains was supplied from wells.

Q. And in the taps? A. From Lake St. Francis.

Q. The same source as the City of Valleyfield? A. Yes sir.

Q. Now, Mr. Plourde, the same witness, complained that the water-closets in the mill were unsatisfactory in 1931 - what have you to say to that?

A. That could only apply to the Gault Mill as beginning in 1931 new water-closets of the latest type had been installed and the work--

Q. Installed where? A. Throughout the mill.

THE COMMISSIONER: Q. And the work, what?

A. And it happened at the time that Plourde was working as a machinists helper, that the work had not been completed in the Gault Mill. It was completed shortly afterwards.

...on the taps from where our employees could  
...water for drinking purposes.

Q. In all the apartments?  
A. Yes.

Q. Were there hoses in some apartments?  
A. Yes sir.

Q. What are they used for?  
A. For drinking water.

Q. And you say, then, that the employees did  
not have to drink from these hoses because there  
were taps for drinking fountain in all the apartments?  
A. Right.

Q. Now, what was the source of the water in  
these taps or drinking fountains?  
A. The water  
in the drinking fountain was supplied from wells.

Q. And in the taps?  
A. From Lake  
St. Francis.

Q. The same source as the city of Winnipeg?  
A. Yes sir.

Q. Now, Mr. Flouffe, the same witness, com-  
plained that the water-closets in the mill were  
antiseptically in 1938 - what have you to say to that?  
A. That could only apply to the toilet mill as  
beginning in 1931 new water-closets of the latest  
type had been installed and the work--

Q. Installed where?  
A. Throughout the  
mill.

Q. The toilet room?  
A. And the work, wasn't it?  
And it happened at the time that Flouffe was  
working as a night watchman, wasn't it?  
Q. Yes, in the toilet mill. It was completed  
... ..

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MR. HEWARD: Q. Now, the witness, Plourde, also stated that when he was there in 1932 the employees were fined for defective work. That was the situation then and what is the situation now in regard to defective work?

THE COMMISSIONER: What years?

MR. HEWARD: 1932.

THE WITNESS: There was a system of fines in effect in the year 1932 but fines have all been stopped since the Fall of 1934.

Q. And what is your system now in regard to defective work? A. Well, if a weaver, for instance, should produce bad work and it is shown to him on two different occasions, it is shown to him on two different occasions and he is warned. If he or they appear the third time for the same fault they are given a week's holiday.

THE COMMISSIONER: Q. Without pay? A. Without pay, and when they come back again they are warned again twice, bad work and if they are warned twice for bad work they are laid off.

Q. Laid off for good? A. No, not for good, may be off for three or four weeks.

Q. That is another holiday? A. If you want to put it that way, yes sir.

MR. HEWARD: Q. What steps can an employee take in regard to defective work if the employee claims that the defective work was due to a defect in the machine and not to the employee's fault? A. Before answering that question, Mr. Heward, I would like to state that instances of those enforced retirements or holidays, whatever you call them, don't happen very often. I would like to make that quite clear.

Mr. Brydie: Now, the witness, please, also stated that when he was there in 1933 the  
a player were fined for defective work. That was  
the situation then and that is the situation now in  
regard to defective work?  
The witness: That is correct.  
Mr. Brydie: There was a system of fines in  
effect in the year 1933 but since have all been abolished  
since the fall of 1934.  
Mr. Brydie: And what is your system now in regard to  
defective work?  
The witness: Well, if a weaver, for  
instance, should produce bad work and it is shown to  
him on two different occasions, it is shown to him on  
two different occasions and he is warned. If he on  
they appear the third time for the same fault they are  
given a week's holiday.  
Mr. Brydie: And on the second day?  
The witness: Without pay, and when they come back again they are  
warned a second time, bad work and if they are warned  
twice for bad work they are laid off.  
Mr. Brydie: Laid off for good?  
The witness: No, no, not for  
good, may be off for three or four weeks.  
Mr. Brydie: That is another holiday?  
The witness: No, it is just  
to put it that way, yes sir.  
Mr. Brydie: And steps are taken to  
take in regard to defective work if the employees  
claim that the defective work was due to a defect in  
the machine and not to the employee's fault?  
The witness: A. Before  
making that question, Mr. Brydie, I would like to  
state that I have no direct knowledge  
of this, whatever you call them, don't happen  
very often. I would like to make that quite clear.

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Q. What do you mean by that? A. Don't have to lay off a weaver very often for bad work.

Q. Now, what recourse has an employee in regard to defective work which he or she claims is not due to his or her fault but a defect in the machine?

A. They have the privilege of calling the second hand to the loom. He will examine the cloth and find the cause thereof. If the cause is due to some fault of the machine he signs his name on the roll of cloth where defective, and when that cloth is sent to the grey inspection department and the defect is noticed and they find there is a signature at the end of the defect, nothing is done to the weaver.

Q. He is not warned or otherwise reprimanded?

A. No.

Q. Now, we have a witness, Joseph Leroux, who at pages 5112 and following pages said that he was president of l'Association Catholique Ouvrière de Valleyfield in 1934 and 1935 and that he was sacked the moment he was named president of the Union. What have you to say to that?

A. He was not discharged in either 1934 or 1935 on account of his, as he states, being president of the Union.

Q. He had not worked for some time previous to 1934, I think he stated? A. Right, some years.

Q. He had been an electrician, was he not? A. Yes.

Q. Now, what work was he taken on to do in 1934 - he tells us he came on in January, 1934?

A. Well, in January 1934 his wife came to my house and asked if we would give her husband employment

Q. What do you mean by that? A. You've  
have to lay off a weaver very often for bad work.  
Q. Now, what recourse has an employee in regard  
to defective work which he or she claims is not due  
to his or her fault but a defect in the machine?  
A. They have the privilege of calling the second  
hand to the loom. He will examine the cloth and  
find the cause thereof. If the cause is due to some  
fault of the machine he signs his name on the roll  
of cloth where defective, and when that cloth is sent  
to the grey inspection department and the defect is  
noticed and they find there is a signature at the  
end of the defect, nothing is done to the weaver.  
Q. He is not liable for otherwise reprimand?  
A. No.  
Q. Now, we have a witness, Joseph Lironi,  
who at pages 5112 and following pages said that he  
was present at the investigation of the machine  
of Valleyfield in 1934 and 1935 and that he was  
asked the moment he was asked statement of the  
Union. What have you to say to that?  
A. He  
was not discharged in either 1934 or 1935 on account  
of his, as he states, being president of the Union.  
Q. He had not worked for some time previous to  
1934, I think he worked.  
A. Right, some  
years.  
Q. He had been an electrical, was he not?  
A. Yes.  
Q. Now, what work was he taken on to do in  
1934, in January 1934 his wife came to my house  
and asked if we would give him seasonal employment

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5 as they were hard up. I spoke to Mr. Murray, superintendent of weaving, and asked him to give him work if at all possible. At that time we were installing some looms in old mill No. 1 weave room and Leroux was given a job at that work. When the work was completed he was paid off like the others, as they were only taken on as temporary hands.

Q. In the installation of looms? A. Yes sir.

10 A. Are you personally aware of what took place in regard to his employment and cessation of employment in 1935? A. Yes. In 1935 we were exchanging some looms in the Gault Mill between weave room No. 2 and weave room No. 3. This necessitated our taking on some extra help as we were unable to do it with the staff we had. Leroux was one of them, one of the men taken on temporarily.

15 Q. He was taken on in the moving of the looms from one room to another? A. Yes sir.

Q. Why was he laid off? A. The work was completed.

20 THE COMMISSIONER: Is Leroux the man who said he had been warned he was talking too much?

MR. HEWARD: No.

THE COMMISSIONER: That was Treffe Leduc?

MR. HEWARD: Yes.

25 Q. Now, the witness Leroux complained that some of the workers were responsible for work after 12 and after 6 at night as certain looms in certain departments were left running and that those workers were responsible for that work and for defects in it and had no recourse if there were defects in the work

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as they were hard up. I spoke to Mr. Murray,  
superintendent of weaving, and asked him to give him  
work if at all possible. At that time we were  
installing some looms in the mill No. 1 weave room  
and Jenson was given a job at that work. When the  
work was completed he was paid off like the others,  
as they were only taken on as temporary hands.

A. Yes.

Q. Are you personally aware of what took  
place in regard to his employment and cessation of  
employment in 1935? A. Yes. In 1935 we were  
exchanging some looms in the loom mill between

weave room No. 2 and weave room No. 3. This necessi-  
tated the taking on of some men as temporary hands  
to do it with the staff we had. Jenson was one of  
them, one of the men taken on temporarily.

Q. He was taken on in the moving of the looms  
from one room to another? A. Yes sir.  
Q. Why was he laid off? A. The work was

completed.  
THE COMMISSIONER: Is Jenson the man who said  
he had been warned he was talking too much?

MR. HENNING: No.  
THE COMMISSIONER: That was Freddie Jenson?

Q. Now, the witness Jenson complained that  
some of the workers were responsible for work done  
in and after 3 at least as certain looms in certain  
rooms were responsible for that work and for defects in it  
and had no recourse if there were defects in the work

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produced at that time - what have you to say in that regard? A. Should a loom produce bad work in the absence of the weaver--

Q. In the first place, are there any looms which do run after 12 and after 6 at night?

A. In certain sections of the mill yes.

Q. And how long do they run? A. Oh, average half past twelve and half past six at night.

Q. When you say "average" - will you explain that? A. Well, some looms will stop in five minutes and other looms may run 40 minutes.

Q. What stops them? A. Stop motion on the looms.

Q. That is a mechanism? A. Yes sir.

Q. When does it operate? A. Well, if the end of warp should break or something else go wrong, the stop motion automatically works.

Q. It automatically stops the loom? A. Yes sir.

Q. Now, if an employee came back, say, at 1 o'clock and found a defect in the work which had run during the time that the loom was operating during the mill hour, what is that employee's recourse - what can he or she do? A. If bad cloth should be produced on the loom while a weaver is away they can, upon their return to the loom, ask the second hand and he will go and examine the loom. If he finds the fault has been due to some defect in the loom he signs the piece and nothing is said to the weaver.

Q. What happens if he finds that the defect has taken place during the half hour, say, while that loom was running while the weaver was away?

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produced at that time - what have you to say in that regard?  
A. Should a loom produce bad work

in the absence of the weaver--

A. In the first place, are there any looms

which do run after 12 and after 6 at night?

A. In certain sections of the mill yes.

Q. And how long do they run? A. Oh,

average half past twelve and half past six at night.

Q. When you say "average" - will you explain

that? A. Well, some looms will stop in five

minutes and other looms may run 40 minutes.

A. What stops them? A. Stop motion on

the looms.

Q. That is a mechanism? A. Yes sir.

Q. When does it operate? A. Well, if the

end of warp should break or something else go wrong,

the stop motion automatically stops the loom.

Q. It automatically stops the loom? A. Yes

sir.

A. Now, if an employee come back, say, at

1 o'clock and found a defect in the work which was

run during the time that the loom was operating

between the 12th hour, what is that employee's

responsibility - what can he or she do? A. It had

cloth should be produced on the loom while a weaver

is away they can, upon their return to the loom,

stop the loom and then they will be sent back to the

loom. If he finds the fault has been due to some

defect in the work at that time the fault is

put on the weaver.

Q. What have you to say in that regard?

A. When place during the half hour, say, while

that loom was running while the weaver was away

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A. Nothing is said to the weaver provided the weaver shows that cloth to the second hand and he signs it, there is nothing said to the weaver. He is not blamed nor fined in any way.

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Q. Are the weavers paid for the work that is produced during that half hour? A. Yes.

Q. Now, the same witness, Leroux, said that on the marquissette machine in 1927 he knew of two weavers who got \$58 and \$48 respectively for two weeks pay. What have you to say in regard to that?

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A. The marquissettes were not being woven in the year 1927.

Q. Now, what is the basic pay that weavers throughout the mill at the present time have?

A. Either \$19 or \$20 per 55 hours.

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THE COMMISSIONER: For what class?

MR. HEWARD: For weaver.

Q. That would be either \$38 or \$40 per fortnight? A. Right.

Q. What are the majority of cases - \$39 or \$40? A. Majority \$40.

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THE COMMISSIONER: You mean the earnings?

MR. HEWARD: No, the basic rate, my Lord.

Q. Now, there was a witness, Emile Pilon, the loom fixer, at page 5533 and following pages, he said in 1935 he was laid off for two weeks without explanation and was started to work after he complained to Mr. Robert, the factory inspector. What was the situation in regard to Pilon being laid off?

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A. At that time we had a surplus number of loom fixers, taking into consideration the orders on hand.

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THE COMMISSIONER: Q. He was a loom fixer?

A. Yes sir, and we were then instead of laying anybody off, we were alternating.





MR. HEWARD: Q. You mean laying anybody off permanently? A. Yes. We were alternating.

Q. And he was laid off in his turn? A. Yes sir.

Q. Now, was he put back in his turn then? A. Yes sir.

Q. Now, did he complain to Mr. Robert, the inspector, do you know? A. I don't know what he said to Mr. Robert but Mr. Robert called me on the telephone and asked me about him and I told Mr. Robert that he was alternating with other loom fixers, and just as soon as his time was up he would be taken back again.

Q. Now, the same witness, Pilon, at page 5363, referred to an inspection which was made by Inspector Robert in January or February of this year and he said that he is sure that the company must have known in advance of inspector Robert's visit because they got the department all cleaned up and put in order at that time. What have you to say to that? Did the company know in advance? A. We were never notified by Mr.--

Q. Answer first - did you know in advance of that visit? A. No.

Q. Have you known in advance or received any notice whatsoever of a visit by the factory inspector to your mill? A. No. If I may, I would like to read here a letter I got from Mr. Robert. The day after we were in court and that statement was made by Pilon, I called Mr. Robert on the phone and explained it to him and asked him if he would mind letting me have a letter from him to the effect that

100-100000-100000

Q. Now, was he put back in his turn there?  
A. Yes, sir.

Q. Now, did he complain to Mr. Robert, the  
Inspector, do you know?  
A. I don't know what  
he said to Mr. Robert but Mr. Robert called me on the  
telephone and asked me about him and I told Mr. Robert  
that he was alternating with other team drivers, and  
just as soon as his time was up he would be back and

Q. Now, the same witness, right, at page 10, he  
returned to an association which was made by Inspector  
Robert in January or February of this year and he  
said that he is sure that the company must have known  
in advance of Inspector Robert's visit because they  
got the department all cleaned up and put in order at  
that time. What have you to say to that? Did  
the company know in advance?  
A. Yes, sir.

Q. Answer first - did you know in advance of  
that visit?  
A. No.  
Q. Have you known in advance or received any  
notice whatever of a visit by the factory inspector  
to your office?  
A. No. I don't know.  
Q. Now, when a letter I got from Mr. Robert, the  
DA, after we were in court and that statement was  
made by him, I called Mr. Robert on the phone and  
explained to him and asked him if he would mind  
calling me back. I don't know if he called me

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we do not know when he is going to come to our mill nor any of the other government inspectors. Here is the letter:

"Montreal, June 2nd  
1936

Mr. E. M. Aird, manager  
Montreal Cottons Limited  
Valleyfield, P.Q.

Dear Mr. Aird:

Upon receipt of your long distance call yesterday, I was busy discussing a very important matter with a few local manufacturers and after they left the office, unfortunately I overlooked my letter which I was to write to you.

This morning, I wired you explaining the situation and I want to confirm hereby that in no occasion whatsoever the Department of inspection for the industrial & commercial establishments and public buildings notified the Montreal Cottons Limited of his prior visits to the plant.

As chief inspector of the Department, I would not tolerate that our inspectors should inform manufacturers of their near visit and for the last fifteen years, I was the only inspector who has visited your mill in Valleyfield.

Hoping that this will clear up the situation to your satisfaction, I wish to remain, dear Mr. Aird,

Yours very truly,  
"Alfred Robert"  
Chief Inspector"

1934

Dear Sir,  
I am in receipt of your letter of the 14th inst. in relation to the matter of the 1934 tax return.

Yours faithfully,  
J. H. [Signature]

Mr. J. H. [Name]  
[Address]  
[City], Ont.

Dear Mr. [Name]:

Upon receipt of your letter of the 14th inst.

and yesterday, I was busy discussing a very important matter with a few local business-  
men and after they left the office, I was so  
tired that I overlooked my letter which I was to  
write to you.

This morning, I found you explaining

the situation and I want to advise hereby that  
in no occasion whatsoever the department of in-  
spection for the industrial & commercial es-  
tablishments and public buildings notified the  
Department of Customs limited of his prior visits to  
the plant.

As chief inspector of the department,

I would not fail to tell you that our inspectors should  
inform manufacturers of their next visit and  
for the last fifteen years, I was the only  
inspector who has visited your plant in

Yours faithfully,

Hoping that this will clear up the

remain, dear Sir, and,

[Signature]  
[Name]  
[Title]



THE COMMISSIONER: Well, I may tell you we have another letter from Mr. Robert about this man, Hilon. Better put this letter in as long as you have read it.

EXHIBIT 327: Letter dated June 2nd, 1936 from Alfred Robert, Chief Inspector, to Mr. Aird.

CROSS-EXAMINED BY MR. McRUER:

Q. Have you got a copy of the Census of Industry returns for the last two years 1934 and 1935?  
A. Not with me.

Q. Well, you were invited to produce those - why are they not here?

MR. HEWARD: When was that?

MR. McRUER: I asked for those every time and I asked for them out there.

MR. BALLANTYNE: I am afraid that must be my fault if they are not here. I do remember Mr. Mcruer asking for those and Mr. Gurnham - I had been under the impression we had already put them in but evidently we have not and evidently I did not check with Mr. Gurnham.

MR. McRUER: Would there be copies of them over at Dominion Textile?

MR. BALLANTYNE: No. I am very sorry but that would be entirely my fault. Mr. Gurnham has been getting a lot of information ready and he telephoned me yesterday to say that he had not completed it and I told him then to complete everything that he was asked to do and send it all in together.

THE CO. I think: Well, I may tell you we have  
another letter from Mr. Robert about this man.  
Alfon, better put this letter in as I am as you  
have read it.

THE CO. I think: Well, I may tell you we have  
another letter from Mr. Robert about this man.  
Alfon, better put this letter in as I am as you  
have read it.

Q. Have you got a copy of the German or  
industry return for the last two years 1934 and 1935?  
A. Not with me.  
Q. Well, you were invited to produce those -  
why are they not here?

Mr. Hawman: When was that?  
Mr. McLaughlin: I asked for those every time and  
I asked for them out there.  
Mr. McLaughlin: I am afraid that must be my  
fault if they are not here. I do remember Mr. Hawman  
asking for those and Mr. Gurnham - I had been under  
the impression we had already put them in but  
evidently we have not and evidently I did not check  
it up.

Mr. McLaughlin: Would there be copies of them over  
at Dominion Textiles?  
Mr. McLaughlin: No. I am very sorry but that  
would positively my fault. Mr. Gurnham has been  
getting a lot of information ready and so far as  
as yesterday to say that he had not completed it and  
I told him then to complete everything that he was  
asked to do and send it all in together.



THE COMMISSIONER: That will include those?

MR. HEWARD: I don't know whether it did include them. Did we tell Mr. Gurnham?

MR. BALLANTYNE: Yes.

THE COMMISSIONER: Will they come in what Mr. Gurnham is sending you?

MR. BALLANTYNE: Yes, I will see to that.

MR. McRUER: One of the unfortunate things of examining a witness--

THE COMMISSIONER: You can recall Mr. Aird in that case.

MR. McRUER: One of the unfortunate things of examining a witness on prepared statements when the records are very far away - it is difficult to cross-examine.

Q. You prepared Exhibit 322 which has some information on it that I do not quite understand. I wonder if we could clear it up. The first column shows for the year 1929 the actual number of male and female employees, does it? A. Yes.

Q. What do you mean by the "actual number"? A. Those are the names of males and females.

Q. They are not the names, do not let us be wrong about that? A. Well, the information is taken from the payrolls.

Q. Well, what does it mean by the "actual number"? For instance, in January there are 1526 males, because you have classified 1935 differently from what you have 1929 - I want to know what 1929 means? A. In 1929 we showed in January as having on our payrolls 1526 males.

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Q. Now, I don't know whether it did not

then, did we tell Mr. Gorman?

A. Yes.

Q. Will they come in that way?

A. Gorman is sending you?

A. Yes, I will see to that.

Q. One of the unfortunate things of

examining a witness--

Q. You can recall Mr. Bird in

that case.

A. Yes; one of the unfortunate things

of examining a witness on prepared statements when  
the records are very far away - it is difficult to

cross-examine.

Q. You prepared Exhibit 323 which has some

information on it that I do not quite understand.

I wonder if we could clear it up. The first column

shows for the year 1929 the actual number of males

and female employees, does it?

Q. What do you mean by the "actual number"?

A. Those are the names of males and females.

Q. They are not the names, do not let us be

wrong about that? A. Well, the information

is taken from the payrolls.

Q. Well, what does it mean by the "actual number

For instance, in January there are 1929 males,

because you have classified 1929 differently from

what you have 1929 - I want to know what 1929 means?

A. In 1929 we showed in January as having an own

payroll 1929 males.

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Q. Having actually on your payroll? A. Yes.

Q. But there is no information in 1929 to tell us how many there would be per 55 hours?

5 A. In those days they did not book the hours for the weavers and therefore I cannot give it to you on the same basis.

Q. So that the comparison between 1929 and 1935 cannot very well be made? A. In this column here taken on exactly the same basis--

10 Q. Taken on the same basis but it could make a big difference whether working 55 hours or 60 hours in a week or working 45 hours on the average, would not it? Is not that true? A. Some of them were working short time and some working full time.

15 Q. What was the week in 1929? A. 55 hours.

Q. But you cannot tell whether they were working on the average 55 hours or not? A. I am assuming that the year 1929 was operated on 55 hour week because 55 hour week at that time was the hours in effect in the province of Quebec.

20 Q. You do not know that? A. No.

Q. Well, I can assume things too? A. I want to correct that .

Q. So that as far as this statement goes as comparing the number of hands employed in 1929 with the number employed in 1935, we have no knowledge of the basis on which the number is made up in 1929 because they may have been working 55 hours or may have been working 60 hours or may have been working on average 40 hours?

25 A. I think we are quite safe in assuming that the Department of Labour

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Q. Having been on your payroll A. 1935.  
Q. And there is no indication in fact to  
tell us how many there were as far as  
A. In those days they did not book the hours for  
the way in and therefore I cannot give it to you  
on the same basis.  
Q. So that the comparison between 1935 and  
1936 cannot very well be made. A. In this case  
have taken an exactly the same basis--  
Q. Based on the same basis but it would mean a  
big difference whether working 30 hours or 35 hours  
in a week or working 40 hours on the average, would  
not it? A. Some of  
them were working about time and some working half  
time.  
Q. What was the work in 1935? A. 35 hours  
Q. And you said that whether they were work-  
ing on the average 35 hours or not?  
A. Assuming that the year 1935 was operated on the same  
week because 35 hour week at that time was the basis  
in effect in the province of Quebec.  
Q. You do not know that? A. No.  
Q. Well, I can assume things for A. I would  
be correct.  
Q. So that as far as the comparison goes as  
regarding the number of hours worked in 1935 with  
the number employed in 1936, we have to be wise  
of the basis on which the number is based in 1935  
because they may have been working 35 hours in 1935  
have been working 35 hours or may have been working  
on average 35 hours.  
Q. Well, I think we can  
with this information that the comparison is correct

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5493

Aird

of the Province of Quebec would not allow the mill to run 50 hours if the law called for 55 hours.

Q. On the other hand, if working on an average of 40 or 55 hours, we don't know, do we? A. I cannot tell you.

Q. You cannot tell us and there is nothing on the statement to indicate it?

MR. HEWARD: Those are actual number of employees that are shown.

MR. McRUER: They are the actual number of employees on the payroll but it makes a big difference whether a man working 55 hours or 40 hours a week.

MR. HEWARD: That statement does not purport to show whether working 40 or 55. Actual number of different persons on the payroll.

MR. McRUER: Q. That does not mean much when we compare it with another year when we have the average on a basis of 55 hours. A. Yes, but you can take this column here, this column here and this column here taken on the same basis.

Q. It does not mean much if they were not working on the same basis, does it? If they did not work on the same basis, the number on the payroll, if they were not working full time, does not mean very much in making a comparison, does it? Because take in 1935 the number on the payroll 2429, but when you reduce it to 55 hour basis - that is, total 55 hour workers in 1935 as compared with 1924 and 1929. If we assume in 1929 that they worked 55 hours, then it would appear that in 1929 there was 2383 employed as against 1985 in 1935? A. You cannot assume that.

All you can assume there, 55 hours time allowed

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by the Government to work but all these hands did not work 52 weeks in the year and 55 hours?

Q. How do you know? A. Well, I would

not want to swear to that statement. A cotton mill is a cotton mill and a certain section of the year you are busy and certain other sections you are not busy.

Q. You were swearing to it. You had just sworn to it until I asked you how you knew. Well, however, as far as this statement goes we have no information in regard to 1929 as to how long these employees worked per fortnight or per week, and that is not obtainable you tell us? A. No.

Q. Now, can you explain to me how it is that they have a less number of employees employed in the Valleyfield mill now than they had in 1922? In 1903 we were told by the minute books that there were 2722 employees engaged at Valleyfield? A. I don't know how that figure was prepared.

Q. I am asking if you have any explanation as to why there are a lesser number now? A. I cannot explain it because I don't know.

Q. The round figure for 1921 was 3500 looms and 2400 employees and 1901, 4561 looms, 171,800 spindles and 2722 employees, and in view of the odd numbers it looks to me like as though they were giving something in the nature of an accurate statement. It was not a lump sum - we employ 2700, the statement is we employed 2722. Now, have you any suggestions to make as to why it requires a lesser number of hands to do the work there now? A. I don't know how they computed that figure they gave 2722, I did not give it.

by the Government to work out all these things did  
not work out well in the past and so now;  
Q. Now do you know?  
A. Well, I would  
not want to agree to that statement. A person will  
be a certain will and a certain section of the year  
you are busy and certain other sections you are not  
busy.

Q. You were answering to it. You had just  
sworn to it until I asked you how you knew.  
However, as far as this statement goes we have no  
information in regard to it as to how long those  
employees worked for tonight or last week, and that  
is not obtainable you tell me?  
A. No.

Q. Now, can you explain to me how it is that  
they have a less number of employees employed in the  
Village? Will you tell me how they had in 1963?  
A. We were told by the minute books that there  
were 1752 employees employed at Village.  
Q. I don't know how that 1752 was obtained.

Q. I am asking if you have any explanation as  
to why there are a lesser number now?  
A. I

Q. The statement that the number of employees was 1752  
was given to you by the minute books, is that right?  
A. Yes, and in view of the fact  
numbers it looks to me like as though they were  
giving something in the nature of an accurate state-  
ment. It was not a large number - we employ 2750.

Q. The statement is we employed 2752. Now, have you any  
suggestions to make as to why it requires a lesser  
number of employees to do the same thing now?  
A. I don't know how they computed that figure they gave  
me. I don't know it.



Q. I read it from their book? A. I know nothing about it.

Q. Well now, can you tell me what the unit production of the mill is there now as compared with 1929? A. No.

Q. You have no information about that?

A. I cannot tell you, I was not asked to get it out.

Q. Well, you were preparing a statement of employees and you were preparing a statement in regard to the weavers and how much work the weavers did and what help they had, and I would have thought it would have been much more to the point instead of making a general statement to tell us how many yards of cloth the weavers produced per man in 1929 and how many yards of cloth they produced per man today?

A. If you want that information I will endeavour to procure it for you, I don't know it at the moment.

Q. Well, do not you agree it would be much more informative when we are dealing with whether a man has got more to look after now than he had then?

That is, the complaint of the employees you remember that was met by the general statement - oh, he has got more looms, true but he has got somebody to grease them, somebody to sweep the floor and somebody to clean them, got a lot of things did not have before and now he has not any more work. Now, do not you agree it would be more informative to tell us how many yards per man it produced now as compared with 1929? A. If you wish the information

I will endeavour to get it for you.

Q. I am just asking you one question - do you agree it would be more informative? You are the

A. I read it from their book?  
Nothing about it.

A. Well now, can you tell me what the Unit was  
definition of the will is there now as compared with  
A. No.

A. You have no information about that?  
A. I cannot tell you, I was not asked to get it out.  
A. Well, you were preparing a statement of  
employees and you were preparing a statement in regard  
to the weavers and how much work the weavers did and  
what help they had, and I would have thought it would  
have been much more to the point instead of making  
a general statement to tell us how many yards of cloth  
the weavers produced per man in 1932 and how many  
yards of cloth they produced per man today?

A. If you want that information I will endeavor  
to procure it for you, I don't know it at the moment.  
A. Well, do not you agree it would be much more  
informative when we are dealing with what's a man  
has got more to look after now than he had then?  
That is, the committee of the employees you remember  
last was met by the general statement - oh, he has  
got more income, true but he has got somebody to  
grease them, somebody to sweep the floor and somebody  
to clean them, got a lot of things did not have  
before and now he has got any more work. Now, do not  
you agree it would be more informative to tell us

A. If you wish the information  
I will endeavor to get it for you.  
A. I am just asking you for information - do you  
agree it would be more informative? You are the



general manager of the mill and we are seeking information? A. All depends for what purpose

the information is going to be used, I don't know.

5 Q. Does not make much difference what is the purpose. I am saying for the purpose of determining whether the man has the same load to carry now as he had before, if we know how much is produced--

THE COMMISSIONER: Well, is it taken for granted that he is producing more cloth now?

10 MR. MORUER: I am trying to find out.

THE COMMISSIONER: Is it taken for granted he is?

THE WITNESS: Yes, he is.

15 MR. MORUER: Q. Then we can assume that a man is producing more cloth per man than he did before? A. He is producing more cloth per man at the present time owing to the fact that the other work which he was doing before has been taken away from him. That is the reason why he is producing more yards of cloth per man.

20 Q. Then will you prepare for me a statement that will show the helpers that you say have been added to the staff - that is, work taken away from the weaver and given to other people. Name the classifications will you so that we can get them recorded, the workers who have taken work off the weavers hands since 1929. What do you say he did in 1929? A. A weaver today--

25 Q. No, Mr. Aird,--? A. I am going to tell you what I know today.

30 Q. You made a statement before and I want to know what he did in 1929. Now, do not let us start

General manager of the mill and we are seeking in-  
formation? A. All depends for what purpose  
the information is going to be used, I don't know.  
Q. Does not make much difference what is the  
purpose. I am asking for the purpose of determining  
whether the man has the same load to carry now as he  
had before, if we know how much is produced--  
THE GOVERNMENT: Well, it is taken for granted  
that he is producing more cloth now.  
MR. ROBERT: I am trying to find out.  
THE GOVERNMENT: It is taken for granted he  
is.  
THE GOVERNMENT: Yes, he is.  
MR. ROBERT: Then we can assume that a  
man is producing more cloth per man than he did  
before? A. He is producing more cloth per  
man at the present time owing to the fact that the old  
work which he was doing before has been taken away  
from him. That is the reason why he is producing  
more yards of cloth per man.  
Q. Then will you prepare for me a statement  
that will show the helpers that you say have been  
added to the staff - that is, work taken away from  
the weaver and given to other people. Have the  
classifications will you so that we can get them  
recorded, the workers who have taken work off the  
weavers hands since 1929. That do you say he did  
in 1929? A. A weaver today--  
Q. No, Mr. Ainsworth?  
A. I am going  
to tell you what I know today.  
Q. You made a statement before and I want to  
know what he did in 1929. Now, do not let me hear

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'today' when I ask you question--

MR. HEWARD: He did not make a statement about 1929; he said the changes made in the last five years.

5 MR. McRUER: Prior to the changes then what did a weaver do? A. The weaver had to look after any smash on the loom.

Q. Plant fixer? A. No, what you call smash fixer. Number of ends in warp break, I would call smash. That has to be repaired. Today has not got to repair.

10 Q. No, can you keep your mind on one point at a time? I am asking you what he did before the change and then he will get what he does today. Before the change - first, he did the weaving, that is true? A. Yes.

15 Q. And then if there was a smash in the loom he had to repair that? A. Smash in the cloth of the loom, not the mechanical part of the loom.

20 Q. That is one thing - what is the next thing that he did? A. Cleaning.

Q. Cleaning the loom? A. Yes sir.

Q. What did that involve? A. Keeping the upper part of the loom clean, brushing it down with a brush.

25 Q. All right. Then what else did he do? A. Gilling, doffing the cloth off the loom.

Q. All the doffing? A. Doffing the cloth off the loom, carding his filling to the looms, removing the empty filling boxes. Filling the shuttles with full bobbins.

30 Q. Anything else? A. The sweeping of

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

4. The weather had to look after  
a weaver boy

any loss on the loan.

11/20/2011 10:10 AM

...of ends in war break. I would

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No. 100-47689-1

Report of fact, anniversary and bid on, tariff - owned.

1834

and to try Isoluxen and for meel and to do it

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[illegible]

delivered to the

. All right, then what else did he do?

...and the scale will adjust.

off the beam, ordering his fillies to the

to narrow off . . . the swelling of



the floor around the looms. Maybe some other job I cannot remember off hand.

5 Q. When did the change take place? A. Well, what I am told changes started to be made in 1931 - 1930 - 1931.

Q. Well, were the weavers doing all this work when you came there? A. In some departments.

Q. In some departments they were doing all this work? A. Yes sir.

10 Q. Well then, how many looms were weavers looking after before the change? A. Oh, down as low as four looms and up as high as twelve.

Q. After the changes how many looms did the weavers look after? A. On very fine butter cloth or gauze they ran as high as ninety looms.

15 Q. Well, would that compare with the 12 - the maximum you gave me was 12 before, now you are giving me maximum of 90 - would that be the class of goods which those who operated 12 before were looking after? A. No. In the class where they had 4 before, may not be exactly the same work run in 1935 or 1936 as run in 1930 or 1931, but the looms today off hand I would say they are up as high as 36 on ordinary fabrics being produced.

20 Q. Well, would the man that had 4 before have 36 now? A. I would not want to make that statement because may not be weaving the same class of cloth today as we were in 1930 and 1931.

25 Q. Oh, I mean the average class of cloth that a man who had 4 before - how many would he have now? A. He would not have as high as 36. He may be up as high as 12 to 16. I would like to state here, if

the floor around the house. maybe some other job  
I cannot remember off hand.  
.. when the changes took place? A. well,  
what I am told changes started to be made in 1931 -  
1932 - 1933.  
.. well, were the workers doing all this work  
when you came there? A. in some departments.  
.. in some departments they were doing all this  
work? A. yes sir.  
.. well, then, the workers were  
looking after before the changes? A. oh, down  
as low as four looms and up as high as twelve.  
.. after the changes how many looms did the  
workers look after? A. on very fine button  
cloth or flanne they ran as high as ninety looms.  
.. well, would that compare with the 12 -  
the maximum you gave me was in before, now you are  
giving me maximum of 90 - would that be the class  
of goods which these who operated in before were  
looking after? A. no. in the class where  
they had 4 before, may not be exactly the same work  
now in 1930 or 1935 as run in 1930 or 1931, but the  
looms today off hand I would say they are up as high  
as 50 on ordinary flanne being produced.  
.. well, would the men that had 4 before have  
30 now? A. I would not want to make  
that statement because they may not be weaving the same  
class of cloth today as we were in 1930 and 1931.  
.. oh, I mean the average class of cloth that  
a man who had 4 before - now may have he have more?  
A. He would not have as much as 30. He may be up  
as high as 12 to 15. I would like to state here, if

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I may, that in our tapestry and drapery departments we are only operating one loom per weaver today as compared to formerly. That is a department by itself.

5 Q. The tapestry and drapery is a different department from the ordinary piece goods. We will deal with piece goods. Were they making this gauze and goods of that sort prior to the change over?

A. They were making some gauze in 1930 and 31.

10 Q. How many looms did a man have who was making gauze at that time? A. I could not tell you.

Q. You have no knowledge? A. No, I have no knowledge.

Q. Were you there then? A. No - 1932.

15 Q. Well, what is the number of looms on an ordinary piece of gray goods now? A. We are running around 36 looms per weaver, average throughout the mill.

Q. I do not want average throughout the mill - I am taking an ordinary piece of grey goods like sheeting - how many looms do you put a man on?

20 A. You mean broad sheetings?

Q. Yes. A. Don't weave them.

Q. Well, what sheetings you do weave?

A. We don't weave any sheetings.

Q. Do you weave any grey goods at all? A. Yes, we weave drills and satins and cloths of that nature.

25 Q. Well, on drills? A. Drills we run as high as 24 looms to a weaver.

Q. Broadcloth? A. Broadcloth 18 to 24.

30 Q. On your rayons how many? A. They will vary around 8 looms up to - on the lighter fabrics say 8 to 24.

I say, that in our factory and laundry departments  
we are only operating one loom per weaver today as  
compared to formerly. That is a department by itself.  
The capacity and capacity is a different  
department from the ordinary piece goods. It will  
and goods of that sort prior to the change over?  
A. They were making some goods in 1930 and 31.  
Q. How many looms did a man have who was making  
goods at that time? A. I could not tell you.  
Q. You have no knowledge?  
A. No, I have  
Q. Where you there then?  
A. No - 1932.  
Q. Well, what is the number of looms on an  
ordinary piece of grey goods now?  
A. He has  
the mill.  
Q. I do not want average throughout the mill -  
I am taking an ordinary piece of grey goods like  
sheeting - how many looms do you put a man on?  
A. You mean broad sheeting?  
Q. Yes.  
A. Well, what sheetings you do weave?  
A. We don't weave any sheetings.  
Q. Do you weave any grey goods at all? A. Yes.  
weave drills and satins and cloths of that nature.  
Q. Well, on drills?  
A. Drills we  
run as high as 24 looms to a weaver.  
Q. Broadcloth?  
A. Broadcloth is 20  
Q. On your factory how many?  
A. They will  
run around 8 looms up to - on the lighter fabric  
up to 24.

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Q. Well, now, how many looms would the man who formerly had 12 have now? A. I could not tell you that.

5 Q. Well, you are giving us the figures of what they would have before the changeover and you gave Mr. Heward comparative statement about the conditions before the changeover and what there is now - cannot you tell me? A. What statement are you referring to?

10 Q. You have told us about the weaver and what he had to do before the changeover and you have told me now all the things that he had to do, and I am asking now a simple question about the number of looms that he would have - the man who had 12 before, how many he would have now. You said they had 4 to 12 before the changeover. Now I am asking you something about current history and that is, how many the man who had 12 before would have now? A. Well, 15 if the man you referred to in the year 1930 - 1931 - I was not there then---

20 Q. I want the man you referred to? A. --- was operating 12 looms, this question as to how many that same weaver would look after today because he may not have the same quality of cloth on these looms as what they were weaving in 1932.

25 Q. We know that but you gave us a statement in order to indicate that a weaver - because you said where he had more looms to look after now heretofore he had smash fixings, cleaning, oiling, doffing and all these things to do. Now, I am asking you to get down to brass tacks and compare what a man who had 30 12 looms before, how many looms he would have to

Q. Well, now, how many in the world was there who formerly had it? Now? A. I couldn't tell you that.

Q. Well, you are giving us the figures of what they would have before the changeover and you have Mr. Howard's comparative statement about the changeover before the changeover and what there is now - couldn't you tell me? A. That statement was you referring to?

Q. You have told us about the weaver and what he had to do before the changeover and you have told us now all the things that he had to do, and I am asking you a simple question about the number of people that he would have - the man and his before, how many he would have now. You said they had a lot before the changeover. Now I am asking you something about current history and that is, how many the man who had it before would have now?

A. Well, it the man you referred to in the year 1943 - 1944 - I was not there then--

Q. I want the man you referred to. A. -- operating in 1943, this question as to how many that man would have had before the changeover in 1943. I am not sure that you gave me a statement in what they were wearing in 1943.

Q. We know that you gave us a statement in 1943 that a weaver - because you said that you were going to look after how many before the changeover, clothing, clothing, clothing and all those things, I am asking you to get back to those facts and concerns that a man who had it then before, how many would he have to



look after today and let us get away from the generalities of it?

A. Assuming that the man was running on the same fabric in 1932 as today he would be either running in that neighborhood of from 24 to 36 looms.

THE COMMISSIONER: Q. Is that instead of 4 to 12?

A. Instead of 12.

Q. Because you gave us the figure 4 to 12?

A. Mr. McKuer asked 12 looms.

(Page 5505 follows)

look after today and let us see what from the  
generalities of it?  
man was running on the same fabric in 1898 as today  
he would be either running in that neighborhood of  
from 24 to 35 years.  
THE COMMISSIONER: A. in that instance of 4 to 50  
A. instead of 12.  
Q. Because you gave us the figure 4 to 12?  
A. Mr. Warner asked 12 years.

(page 5003 follow)

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Q. Now then, there are men who have more than 36 looms, are there not? A. Yes.

Q. What sort of fabrics are they on? A. On the lighter fabrics.

Q. What is the average number of looms to a man in your mill? A. It runs around about 36 looms to a weaver.

Q. Which is the average number? A. The average number, yes.

Q. That is what you are saying now, but 12 was the maximum number of looms which we had before? A. Yes.

Q. Well, why do you put it at 36 now? You say 12 was the maximum that a man had before, and 36 is only your average to-day; are you trying to assist us, Mr. Aird? A. I am certainly trying to answer to the best of my knowledge.

Q. Well, I am trying to get at it; I am taking a man who had the maximum number of looms before, 12 in all, and to-day you tell me he would have 36, but 36 appears to be only your average.

BY THE COMMISSIONER: Q. You did say 24 to 36 at one time? A. Yes, sir; that is the last answer I gave.

BY MR. McRUER: Q. Yes, you said the man who had 12 before would have from 24 to 36 now, yet you tell me your average is 36? A. Well, assuming that they are running the same kind of cloth; a weaver who is running 36 looms may be working on a certain class of cloth, while another weaver may be working only

Now about these two who have been with us

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Well, I am trying to get it; I am waiting.



8 looms, or 10 looms, or maybe 6 looms, I would not say definitely, Mr. McRuer.

Q. Do you know anything about it, Mr. Aird? A. I think I do.

Q. Well then, let us get at it. Can you give us the fabrics that a man would be working on, running 12 looms? A. To-day?

Q. No, before the change over, what fabrics would he be working on? Now, that is the maximum? A. Take a broadcloth, for instance.

Q. A broadcloth? A. Yes.

Q. Would he be assigned the maximum number of looms before the change-over on a broadcloth? A. Right.

Q. He would? A. Yes.

Q. What other kind would he have? A. Well, other fabrics of similar construction to broadcloth, requiring a certain amount of looking after.

Q. Well, what others, what have you in mind? A. Take the broad satins, sateens.

Q. Yes. A And cotton linings.

Q. Cotton linings? A. Yes.

Q. Well, on a cotton lining he would have the maximum before, would he? A. I would say so.

Q. Well then, how many would he have now? A. On those looms, if a weaver is able to do it, with a broadcloth, I told you a minute ago from 24 to 36 looms depending on the ability of the weaver and the construction of the fabric.

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6 looms, or 10 looms, or maybe 8 looms, I would not  
say definitely, Mr. Wether.

Q. Do you know anything about it, Mr. Wether?  
I think I do.

A. Well then, let me get at it. Can you give  
us the figures that a man would be working on,  
turning in looms?

A. No, before the change over, but figures  
would be he working on? Now, that is the maximum? A.  
Take a production, for instance.

Q. Would he be assigned the maximum number of looms  
before the change-over on a production?

A. Yes.  
Q. What other kind would he have? A. Well, the  
maximum of 10 looms, that is the maximum.

requiring a certain amount of looking after.  
Q. Well, what others, what have you in mind?  
A. Take the good satins, satens.

A. Yes. A and cotton linings.  
Q. Cotton linings?  
A. Yes.

Q. Well, on a cotton lining he would have these  
maximum before, would he? A. I would say so.  
Q. Well then, how many would he have now?

those looms, if a weaver is able to do it, with a  
production, I told you a minute ago from 24 to 30 looms  
maximum on the basis of the work and the  
production of the looms.

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Q. Well, how many on a satin lining? A. We have weavers with 24 looms on this.

Q. Well, what is the class of goods that you have that brings the average up to 36, what are the higher categories? A. Take our broadcloth linings,

cotton and rayon linings where a weaver to-day is only looking after 8 looms, and take the looms where we have jacquard designs and looms where we have dobby - it all depends on the class of fabrics, but it usually runs between 6 or 12.

Q. Right, go on? A. And then we have our draperies and tapestries?

Q. Yes, proceed. A. And other fabrics.

Q. How many looms to a man for those? A. It all depends, on some of the tapestries it has been possible -

Q. Give me the class of goods where you have more than 36 looms to a man so that it brings the average up to 36. You have given us the looms, now I want the particular ones. A. Take the satins.

Q. How many? A. What do you mean, Mr. McRuer?

Q. How many to a man? A. How many to a man?

Q. Yes? A. They go as high as 60 looms.

Q. Yes? and on others? A. Take the gauzes which we are weaving to-day.

Q. Yes? A. And fabrics of light construction.

Q. Yes. And, of course, a large portion of your output must be these fabrics if your average is 36 looms to a man? A. Well, ---

Q. Is it or is it not? A. We are running

Q. Well, how many on a satin lining?

A. Have weavers with 16 looms on this.

Q. Well, what is the class of goods that you have

that brings the average up to 36, what are the higher

categories? A. Take out provincial linings,

cotton and rayon linings there a weaver to-day is only

after 3 looms, and take the looms where we

have Jacquard designs and looms where we have dobby -

it all depends on the class of fabrics, but it usually

runs between 6 or 12.

Q. Right, so on? A. And then we have our

draperies and tapestries?

A. Yes, precisely. A. And other fabrics.

Q. How many looms for a man for these? A. If all

things, on some of the tapestries it has been possible

to give me the class of goods where you have more

than 36 looms for a man so that it brings the average up

to 36. The next class is the looms, and I want to

know how many? A. What do you mean, Mr. Brydies?

Q. How many for a man? A. How many to a man?

Q. Yes? A. They go as high as 36 looms.

Q. Yes? and on others? A. Take the cases which

are made of silk.

Q. Yes? A. And fabrics of light construction.

Q. Yes. And, of course, a large portion of your

goods may be made of silk. It has been found that

the average is 36.

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an average now of 36 to a weaver.

Q. I say the large proportion of your output is these fabrics that requires a greater number of looms to a man? A. Yes, speaking of the yardage basis, yes.

Q. Well, any other basis you like? A. A yardage basis, yes.

Q. All right. Now, how do you compute your piece work rates for the weavers? A. Well, first of all we start off with a base of either \$19 or \$20 per week depending on the fabrics to be woven. Then the average of the looms is taken into consideration, the class of cloth is taken into consideration, and then you get a certain percentage of production, and from that you have got to deduct the ordinary stoppages and allowances, and that comes to a certain number of yards of goods per week.

Q. What has been the performance of your weavers, have they been earning up to the basic wage?

A. Some weavers yes, and some weavers no.

Q. Well, on the average, on the whole? A. Full time--

Q. Have they been earning up to the basic rate?

A. Running full time, yes.

Q. The basic rate is fixed for full time? A. Yes, but you don't always have orders to run your looms 55 hours a week.

Q. The basic rate is fixed on a 55-hour week, is that?

an average not of 10 to a sweater.

Q. I say the large proportion of your output is

those fabrics that require a greater number of looms

to a man? A. Yes, that is of the average basis.

Yes.

Q. Tell me, any other basis you like? A. A yardage

basis, yes.

Q. All right. Now, how do you compute your

piece rates for the sweaters? A. Well, that

of all we start off with a base of either 10 or 20

per week depending on the fabric to be woven. Then

the average of the looms is taken into consideration,

and class of cloth is taken into consideration, and

then you get a certain percentage of production, and

from that you have got to deduct the millinery and paper

and allowances, and that comes to a certain number of

yards of goods per week.

Q. That has been the performance of your sweaters,

have they been earning up to the basic wages?

A. Yes, that is what you want to know, isn't it?

Q. Well, on the average, on the whole? A. Well,

time--

Q. Have they been earning up to the basic rates?

A. Earning full time, yes.

Q. The basic rate is fixed for full time? A. Yes,

and you don't always have orders to run your looms

at home a week.

Q. The sweaters are fixed at 10 to a sweater, is that



A. Yes.

Q. And your basic rate is \$19 and \$20? A. Right.

Q. Why the difference? A. Well, on the more important work we pay the \$20, and on the less important work the base is \$19.

Q. What do you call the more important? A. That is where you have the less looms per weaver.

Q. The less looms per weaver? A. Yes. The \$20 applies to the better class of fabrics.

Q. The \$20 applies to the better class of fabrics? A. Yes.

Q. Well now, in this statement that you put in, Exhibit 325, you give us a comparison of the number of hands and wages paid to weavers; in 1929 you have a total wage of \$410,809.45 paid to weavers, and in 1935 a total of \$202,552.50. Could you tell us how much the total paid to hands in the weaver room would be in 1929 and 1935? A. I cannot tell you about 1929, but I can tell you about 1935.

Q. Well, it could be got for 1929? A. I think it can, Mr. McKner, but I would not say for sure.

Q. I wish you would get that for me. A. The total amount paid to hands in the weave room in 1929, and the total amount paid to hands in the weave room in 1935.

Q. Yes. Then we want the total number employed in the weave room in 1929 and the total employed in the weave room in 1935.

THE COMMISSIONER: You are including all classes?

Q. And your basis rate is \$19 and \$20?  
A. Yes, on the more  
important work we pay the \$20, and on the less important  
work the base is \$19.

Q. Now do you call the more important?  
A. Yes.  
Q. The less looms per weaver?  
A. Yes.

Q. The \$20 applies to the better class of fabrics.  
A. The \$20 applies to the better class of fabrics.

Q. Well now, in this statement that you put in,  
Exhibit 325, you give us a comparison of the number of  
hands and wages paid to weavers; in 1929 you have a to-  
tal of \$410,808.48 paid to weavers, and in 1935  
a total of \$532,882.80. Could you tell me how

much the total paid to hands in the weaver room would  
be in 1929 and 1935?  
A. I cannot tell you about  
1929, but I can tell you about 1935.

Q. Well, it could be got for 1929?  
A. I think it can, Mr. Weir, but I would not say for sure.  
Q. I wish you would get that for me.

Q. I wish you would get that for me.  
A. I wish you would get that for me.  
Q. The total amount paid to hands in the weaver room in 1929  
and 1935.  
A. Yes, that is what I wish to know.  
Q. The total amount paid to hands in the weaver room in 1929  
and 1935.  
A. Yes, that is what I wish to know.



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Aird

MR. McRUER: Yes, my lord, those people that are engaged to help in the weave room, so that we will be able to see to what extent there has been a saving made by the change over.

Q. I presume the change over was made for the purpose of saving money? A. Well, ---

Q. Nothing so base as that, Mr. Aird?

MR. McRUER: Will you give me the second question there, Mr. McRuer, the total number of hands in the weave room?

MR. McRUER: Yes, the total number of hands in the weave room, in both years.

Q. I just suggested, Mr. Aird, that the change-over was made for the purpose of saving money. Do you say that was not the object? A. That is your privilege, Mr. McRuer.

Q. Do you say, that was not the object. I do not know why you should regard it as offensive.

Was that not the object? A. Well, with a view of producing our fabrics at as low a cost as possible.

Q. Yes, and saving labour costs, is that not correct? A. Well, if we can we would make a lower cost.

Q. Well, that was the object of the change-over, was it not, to save labour costs? A. Right.

Q. Yes. Well now, on this statement you have the average number of hands per pay roll, actual,

514. What does that mean, that that is the number

MR. MONTGOMERY: Yes, my lord, these people that are engaged to help in the weaving room, so that we will be able to see to what extent there has been a saving made by the change over.

Q. I presume the change over was made for the purpose of saving money?

A. Nothing so bare as that, Mr. Lord?

Q. Will you give me the second question?

MR. MONTGOMERY: The total number of hands in the weaving room?

MR. MONTGOMERY: Yes, the total number of hands in the weaving room, in both years.

Q. I just suggested, Mr. Lord, that the change-over was made for the purpose of saving money. Do you say that was not the object?

A. Do you say, that was not the object? I do not know why you should regard it as otherwise.

Q. Well, with a view to procuring our fabrics at as low a cost as possible.

A. Yes, a weaving labour cost, is that not correct?

Q. Well, if we can we would make a lower cost.

A. Well, that was the object of the change-over, was it not, to save labour costs?

A. Yes.

Q. Will you, on this statement, say that the saving of money was the object?

A. Yes, that was the object, that was the object.



that were engaged irrespective of the hours they worked?

A. Right.

Q. I see, so that we do not know how many hours it took for these 514 employees to earn the \$410,809?

5 A. The hours were not fixed for some reason or other, in 1929, for weavers.

Q. So we don't know that? A. No.

10 Q. Then you say the average wage per operator per fortnight of 110 hours was \$30.75 in 1929, and in 1935 \$29.60. Now, how do you arrive at the \$30.75, by dividing the 514 into the \$410,000 odd? A. That is assuming that the weavers in 1929 worked 110 hours a week.

15 MR. HEWARD: 110 hours a fortnight.

THE WITNESS: Yes. We are only assuming that. We don't know what happened.

20 BY MR. MORUER: Q. You are only assuming that, you don't know what happened? A. Right.

Q. Well then, how many hours did these 263 work in 1935? A. We have not shown the total hours there.

25 Q. Well, I would like to get that; you say that it was so much on a basis of -- A. 55 hours per week, 52 weeks per year.

Q. 55 hours per week, 52 weeks per year. So that, according to this, your weavers would be earning \$18.55 for 55 hours, on the average? A. The average, yes.

30 Q. And that, of course, is below the basic rate?

A. That includes all weavers.

Q. Yes, that includes all weavers. The basic

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.. I see, so that we do not know how many hours it took for those 514 employees to earn the \$410,800? A. The hours were not fixed for some reason or other, in 1983, for example.

.. So we don't know that? A. No. .. Then you say the average wage per operator per fortnight of 110 hours was \$30.75 in 1983, and in 1983 \$39.80. Now, how do you arrive at the \$30.75, by dividing the 514 into the \$410,000 odd? A. That is assuming that the workers in 1983 worked 110 hours a

MR. BRYCE: 110 hours a fortnight. THE WITNESS: Yes, we are only assuming that. BY MR. BRYCE: .. You are only assuming that, you don't know what happened? A. Right.

.. All then, how many hours did these 103 work in 1983? A. We have not those are total hours there. .. Well, I would like to get that; you say that is 33 weeks per year.

.. 33 hours per week, 33 weeks per year. So that, assuming he told, that would mean he worked 33 times 33 hours, or 1089 hours. .. and that, of course, is below the basic rate? .. That makes all sense.



rate includes all weavers too, does it not? A. Yes.

Q. Well, it is below; it is \$1.50 below the basic rate of \$20., and it is 45 cents below the basic rate of \$19? A. Right.

5 Q. The basic rate is \$19.15 is it not? A. No, \$19 as far as our mill is concerned.

10 Q. As you know - I see no reason why your mill should be different from Montmorency, that is, I see no reason why your basic rate should be different from that of Montmorency, for weavers? A. As far as I know, we never compared rates.

15 Q. You never compared rates? A. I don't know what their rates are at Montmorency.

Q. You say you don't know what their rates are at Montmorency? A. No.

Q. Do you not have the basic rate fixed by the Board of Directors for the mill? A. No.

20 Q. You fix the basic rate yourself? A. Yes.

Q. You fix it without consultation with Mr. Gordon? A. Right.

Q. So that you establish the basic rate all on your own? A. Right.

25 Q. No report to the Board as to what the basic rate you have established? A. No.

Q. Have you got a statement of your basic rates? A. I can get one prepared for you if you wish.

30 Q. You have not got anything in the nature of a book that shows the basic rate and the actual piece-work

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*[Faint, illegible handwritten notes]*

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rates and so on? A. No, sir.

Q. Haven't you got that information? A. No, but there is at the present time a book in the course of preparation, and has been for some months; it is not completed yet.

Q. You must surely have some place-- A. Every superintendent has got his own book of basic rates, but I am referring to the book in my office.

Q. There must be some book that is really accessible? -- A. Yes.

Q. --to the man that makes up the pay roll? A. Right.

Q. So that he would know, how much the employees are paid? A. Right.

Q. Well, could you not let us have a copy of that? A. All right, I can let you have it.

Q. Because that would give -- A. You just want the basic rate, that is all you want?

Q. I want the rates at which the employees are paid? A. The spinners so much, a weaver so much, a battery-hand so much?

Q. Yes? A. All right, I can let you have that.

Q. All piece-work rates, so that I can compare piece-work at Montreal Cottons with piece-work at Montmorency? A. All right.

Q. Does the employee at your mill know the basis on which he is being paid? A. Yes.

Q. How do you inform him? A. We have it on a sheet of paper which is affixed to a board and hung up

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in each room.

Q. I see. Was that going on at your mill when you came there? A. To the best of my knowledge, yes.

Q. Had that system been in vogue for some time?

A. I would say so.

Q. That is to say, that system has been in vogue for sometime? A. Right.

Q. So that the employee who is spinning, or weaving, or do'ing, or whatever he is doing, knows the basis on which he is being paid? A. Right.

Q. He knows if he is being paid per hank how much a hank on that particular type of goods; he knows how much he is entitled to be paid? A. Right.

Q. He knows that? A. Oh yes. The production for Monday is posted on Tuesday, and so on, right through the week.

Q. In addition to the employee knowing the rate on which he is being paid, his production is posted every day? A. Every day.

Q. So that he can go to the Board and say, Now, I am paid so many hanks, I am paid so much per hank, for the amount of yardage produced, and he can say that he has earned so much for the past 10 hours? A. Right.

Q. So that he would be able to tell at the end of the fortnight just how much should be coming to him? A. Right.

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. I see. . . . .

you come there? . . . . .

Yes.

. Had that system been in vogue for some time?

. I would say so.

. That is to say, that system has been in vogue

for some time.

. So that the employee who is spinning, or weaving

or do this, or whatever he is doing, knows the basis

on which he is being paid? . . . . .

. He knows if he is being paid per hour how much

a bank on that particular type of work; he knows how

much he is entitled to be paid? . . . . .

. He knows that? . . . . .

for Monday is posted on Tuesday, and so on, right

through the week.

. In addition to the employee knowing the rate on

which he is being paid, his production is posted every

day? . . . . .

. So that he can go to the board and say, Now,

I am paid so many cents, I am paid so much per hour,

for the amount of yardage produced, and he can say

that he has earned so much for the past 10 hours?

. Right.

. So that he would be able to tell at the end of

the fortnight just how much should be coming to him?

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Aird

Q. There is nothing to prevent him from doing that?

A. No.

Q. And you have encountered no difficulty in carrying on with that system? A. We have found no trouble.

Q. And you say it was in vogue when you went there?

A. Yes, to the best of my knowledge it was.

THE COMMISSIONER: As I recall, Mr. McRuer, you have had no complaints from the working people about that?

MR. McRUER: No, my lord. My object in getting this information from him is for comparison with other places.

THE COMMISSIONER: There were complaints elsewhere?

MR. McRUER: Yes, my lord.

BY MR. McRUER: Q. Did you follow a similar system to that when you were at Wabasso? A. Not as thorough.

Q. Not as thorough? A. No.

Q. Did you ~~ask~~ inform the employees there as to the rates they were being paid? A. In some departments, yes.

Q. And in some not? A. No.

Q. I see. Do you recollect what departments you pursued that system in? A. Oh, I would say the weaving room knew what their production was all the time.

Q. That is, the knew what their production was, but did they know the rate they were being paid?

Q. And

Q. There is nothing to prevent him from doing that?

A. No.

Q. And you have encountered no difficulty in carry-

ing on with that system? A. We have found no

difficulty.

Q. And you say it was in volume when you went there?

A. Yes, to the best of my knowledge it was.

Q. Have had no complaints from the working people about

that?

A. No. My object in getting

this information from him is for comparison with other

plants.

Q. The complaint there were complaints elsewhere?

A. No. Yes, my lord.

Q. Did you follow a similar system

to that when you were at Glasgow? A. Not at

thoroughly.

Q. Now as thorough?

A. Did you ask in the employees there as to the

rates they were being paid? A. In some departments,

Q. And in some not?

A. I see. Do you recollect what departments you

visited that system in? A. Oh, I would say the

weaving room knew what their production was all the

time.

Q. That is, the men and their families?



A. Well, I would not like to swear to that, Mr. McRuer.  
The thing never came up.

Q. Now, you prepared a statement, Exhibit 323,  
in reference to the cottages, showing the total receipts.  
Have you ever made up a statement that would show that  
those cottages cost the company? A. Well, just at  
the moment we are having them appraised. We started  
some time in the month of February, I think it was,  
or January.

Q. Well, my question was not quite that. I asked  
if you had ever prepared a statement showing that they  
cost the company? A. No, I never did.

Q. Well, has it ever been made up? A. I cannot  
tell you.

Q. I notice in the minutes, Mr. Aird, that I read,  
that some reference was made from time to time of the  
cost of the cottages, and the fact that they would make  
a return to the company of about 8 per cent, and I  
presume that these cottages have been written off along  
with the rest of the real estate? A. I cannot tell  
you that, I don't know how that account has been  
handled.

Q. You don't know how the cottage account has been  
handled? A. Not in that respect, no.

Q. Whether it is depreciated, - 10 per cent. for  
depreciation? A. I cannot tell you what has been  
done there.

Q. You don't know how it has been handled during  
those days that we have read about, so you don't know

A. Well, I would not like to agree to that, Mr. ...  
The thing never was up.

.. Now, you proposed a statement, Exhibit 328,

interference to the colleges, showing the total necessity  
have you ever made up a statement that would show that

these colleges don't do the company?

.. Well, just at the moment we are having them explained.

some time in the month of February, I think it was,

.. Well, my question was not quite that. I asked

if you had ever prepared a statement showing what they

some in company?

.. No, I never did.

.. Well, has it ever been made yet?

A. I cannot

.. Well, you.

.. I notice in the minutes, Mr. Ains, that I read,

that some reference was made from time to time of the

cost of the colleges, and the fact that they would make

a return to the company of about 8 per cent, and I

presume that these colleges have been written off already

.. I cannot tell

.. You don't know how the college account has been

.. Not in that way, no.

.. Whether it is depreciated, - 10 per cent, for

depreciation? A. I cannot tell you what has been

.. You don't know how it has been handled during

these years that we have been in business, you don't know



to what extent the cottages have been depreciated,  
and you don't know what they originally cost? A. No.

Q. That is not taken into consideration; the rentals,  
I take it, have been fixed on the basis, I suppose,  
of rentals for similar property in the town of Valley-  
field? A. Our rentals are less than those charged  
in the City of Valleyfield.

Q. Have you a tax exemption on those cottages?

A. No, we pay full taxes.

Q. Probably you could then tell me what the assess-  
ment on the cottages is? A. I cannot tell you off-  
hand, Mr. McEuer.

Q. You cannot give me any information as to the  
assessment on the cottages? A. No, but I can look  
it up, if you would like to have it.

A. Well, I would like to have the assessment.  
Now, in the statement you have prepared, Exhibit 324,  
in reference to the taxes paid by the mill, I notice  
that on the mill there is \$40,000 paid per year?

A. Yes.

Q. That is a fixed assessment, is it? A. We  
are paying \$40,000 a year for the years 1935, 1936,  
1937, 1938 and 1939.

Q. Take your total taxes of \$48,600 shown in your  
statement and the value of the property less the  
depreciation as inserted in the last annual report,  
the figure there is \$5,637,000, in round figures.

I figure that your tax rate on your property - and

1934 1935

to what extent the cottages have been depreciated.  
... that is not taken into consideration; the rental  
I take it, have been fixed on the basis, I suppose,  
of rental for similar property in the town of Valleyfield.  
... Our rental is less than those charged  
in the City of Valleyfield.  
... Have you a tax exemption on those cottages?  
... No, we pay full taxes.  
... Probably you could then tell me what the assess-  
ment on the cottages is? ... I cannot tell you off-  
hand, Mr. McNeil.  
... You cannot give me any information as to the  
assessment on the cottages? ... No, but I can look  
it up, if you would like to have it.  
... Well, I would like to have the assessment.  
Now, in the statement you have prepared, Exhibit 384,  
in reference to the taxes paid by the mill, I notice  
that on the mill there is \$40,000 paid per year?  
... Yes.  
... That is a fixed assessment, is it?  
... Yes, \$40,000 a year for the years 1935, 1936,  
1937, 1938 and 1939.  
... Take your total taxes of \$40,000 shown in your  
statement and the value of the property less the  
depreciation as inserted in the last annual report,  
and there is \$40,000, in round figures.  
... Figure that your tax rate on your property - and

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that includes the cottages apparently - is 9 mills.

A. In our book value there, as shown on the statement, you have the value of our machinery as well as buildings.

Q. Yes. A. Well, the fixed value only applies to the value of the buildings on the ground; it does not apply to machinery.

Q. Well, I wonder why it does not? A. Well, it isn't done in any city in the Province of Quebec, that I know of.

Q. Are you sure about that? I rather understood that the machinery of a going concern, built for a particular purpose was a fixture and belonged to the real estate? A. No.

Q. As a matter of fact, I settled that once in the Supreme Court.

MR. HEWARD: It might not be for tax purposes, Mr. McRuer.

BY MR. McRUER: Q. Well, land value, machinery and equipment, taking your annual statement. Of course, that is not an excessive figure, as shown in your annual statement. They are worth much more than that now. A. What is that?

Q. They are shown at cost; the land, buildings and machinery are in your annual statement, \$7,957,000, as the cost less reserve for depreciation of \$2,299,000, which makes a net of \$5,657,000. Have

you ever had your property appraised? A. Yes.

Q. What was it appraised at? A. They had

that included the cost of the machinery - is 2 mills.  
A. In our book value there, as shown on the statement,  
you have the value of our machinery as well as building  
to the value of the buildings on the ground; it does  
not include the cost of the machinery.  
A. Well, I wonder why it does not?  
I don't see in any city in the Province of Quebec, that  
I know of.  
A. Are you sure about that? I rather understood  
that the machinery of a going concern, built for a  
particular purpose was a fixture and belonged to the  
real estate?  
A. No.  
A. As a matter of fact, I settled that once in  
the Supreme Court.  
MR. BRYDIE: It might not be for tax purposes,  
but for legal purposes.  
BY MR. McHUGH: A. Well, land value, machinery  
and equipment, taking your annual statement, of course,  
that is not an excessive figure, as shown in your  
annual statement. They are worth much more than that  
now.  
A. That is that?  
A. They are shown at cost; the land, buildings and  
machinery are in your annual statement, \$1,257,000,  
as the cost less reserve for depreciation of  
\$2,282,000, which makes a net of \$1,035,000. Have  
you ever had your property appraised?  
A. Yes.  
A. What was it appraised at?

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Just finished the appraisal. We have not got the figures yet.

Q. I understand you had an appraisal made for insurance, and a very nice book made up about it.

5 A. We have not seen them yet, so I cannot tell you.

Q. You have not seen it? A. No, not the book I am referring to.

Q. Haven't you had occasion to have an appraisal of the property made for insurance purposes, and so on?

10 A. There was one made some years ago.

Q. What does that show? A. I cannot tell you off-hand.

Q. At the time an application was made for commutation of taxes, and Mr. Beauregard tells me there was an appraisal made and information prepared about it. He also tells me there was a very nice report made.

15 Are you not familiar with that? A. Yes, I know there was a report made.

20 Q. Then, tell me how much the buildings have been appraised at? A. I cannot tell you off-hand what they were shown on that report at.

Q. I would like you to get that for me, because if we take your value here you are paying 9 mills. Do you know what the tax rate is in Valleyfield?

A. It is \$1.60 and the deduction is made of 10 cents bringing it down to \$1.50 providing your bill is paid within a certain date.

30 Q. \$1.50 if paid within a certain date?

A. Yes.

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that I have not seen it.

Thank you.

I understand you had an original made for

insurance, and a very nice book made up about it.

... we have not seen them yet, so I cannot tell you.

A. No, not yet. You have not seen it?

book I am referring to.

... Haven't you had occasion to have an original

of the property made for insurance purposes, and so on?

... There was one a few years ago.

... What does that show? I cannot tell you

off-hand.

... At the time an application was made for

examination of taxes, and Mr. Macdonald tells me there

was an original made and information prepared about it.

He also tells me there was a very nice report made.

Are you not familiar with that? ... Yes, I know

there was a report made.

... Then, tell me how much the bulidings have been

appraised at? ... I cannot tell you off-hand what

they were shown on that report at.

... I would like you to get that for me, because

it will save your time here you are paying 3 miles.

... You know that the tax rate is in Victoria?

... It is \$1.50 and the deduction is made of 10 cents

making it down to \$1.40 providing your bill is paid

within a certain time.

... It is not a matter of course.



BY MR. HEWARD: Q. \$1.50 for what?

A. Per \$100.

Q. BY MR. McRUER: \$1.50 per \$100? A. Yes.

MR. BEAUREGARD: One and a half per cent.

5 BY MR. McRUER: Q. On what basis do you contend that a large factory such as yours is entitled to pay very substantially less taxes than other people in the municipality? A. We don't maintain we are paying any lower taxes.

10 A. You contend that you are paying at the rate of \$1.50 per \$100? A. What value are you arriving at, Mr. McRuier? I may be able to answer you then.

15 Q. I say, on the fair assessed value of your property do you contend that you are paying at the rate of \$1.50 per \$100? A. If you are referring to the \$40,000 a year which we are paying to the municipality at the present time, we maintain we are still on the high side.

20 Q. No, but I am saying, do you contend that at the present time you are paying an amount equal to \$1.50 per \$100? A. No, I don't.

25 Q. What did the commutation amount to? A. Well, for school purposes.

Q. Leave out for school purposes? A. Well, the amount of \$40,000 was arrived at after a number of meetings between the City Council and ourselves.

30 Q. What would it have amounted to if you had

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20. Mr. [Name] [Address]

21. [Name]

22. Mr. [Name] [Address] [City] [Province] [Country]

23. Mr. [Name] [Address] [City] [Province] [Country]

24. Mr. [Name] [Address] [City] [Province] [Country]

25. That a large [Name] [Address] [City] [Province] [Country]

26. Very substantially less taxes than other people in the

27. Municipality?

28. Paying any lower taxes.

29. You contend that you are paying at the

30. Rate of \$1.50 per \$100?

31. Answering at [Name] [Address] [City] [Province] [Country]

32. [Name]

33. I say, on the [Name] [Address] [City] [Province] [Country]

34. Property do you contend that you are paying at the

35. Rate of \$1.50 per \$100?

36. In the \$40,000 a year which we are paying to the

37. Municipality at the present time, we maintain we are

38. Still on the high side.

39. No, but I am saying, do you contend

40. That at the present time you are paying an amount

41. Equal to \$1.50 per \$100?

42. That is the commutation amount for

43. A roll, for school purposes.

44. Leave out for school purposes? A. Well, the

45. Amount is \$40,000 and is paid to the [Name] [Address] [City] [Province] [Country]

46. [Name] [Address] [City] [Province] [Country]

47. That would be the amount to be paid to you for



been assessed in the ordinary way the same as any other householder, what amount would you have had to pay? A. On \$3,765,000. We don't admit that is the correct figure or the value of our buildings.

5 Q. That is the assessed value? A. No, that is the judgment as set by the Court in Valleyfield.

Q. Well, it is one step further than an assessment, it is a judgment determined in an assessment?

A. Right.

10 MR. HENARD: It is not a final judgment.

R. McRURER: Well, you did not appeal from it.

15 THE WITNESS: We did not appeal from it, Mr. McRuer, for the simple reason that the council and ourselves came to an understanding with regard to the taxes. Otherwise we would have appealed it.

Q. At any rate, the judgment is there? A. Right.

20 Q. And it is \$3,765,000? A. \$3,765,917 is the exact amount.

Q. Well, at one and a half per cent. how much would you pay? We might have a recess while you figure that out. A. Well, it is easy enough dividing it.

25 THE COMMISSIONER: Is it worth while adjourning now, Mr. McRuer? We might adjourn at a quarter after 12.

30 MR. McRURER: Very well, my lord.

Q. On that basis, you would have had to pay

been assessed in the ordinary way the same as any

other household, what amount would you have had

to pay? .. on \$5,000,000. .. I don't think that

is the correct figure or the value of our holdings.

.. that is the assessed value? .. no, that

is the amount as set by the Court in Halifax.

.. well, it is one step further than an assessment,

it is a judgment determined in an assessment?

.. right.

.. yes, it is not a final judgment.

.. well, you did not report from

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.. I did not report from 10, 11,

.. for the single reason that the council and

themselves came to an understanding with regard to the

cases. Otherwise we would have reported it.

.. at any rate, the judgment is there? .. right

.. yes, it is \$5,000,000.

.. the only reason.

.. well, at one end a 10 per cent. how much

would you pay? .. it might have a reserve while

.. yes, it is \$5,000,000.

.. dividing it.

.. yes, it is \$5,000,000.

.. yes, it is \$5,000,000.

.. yes, it is \$5,000,000.

.. on that basis, you would have had to pay



\$56,000. Now, I ask you on what principle you contend that a company such as yours is entitled to pay less taxes than any ordinary merchant or house-

holder in the community? A. Well, the value of our plant, as set by the appraisers, and engineers whom we engaged to value our plant, was considerably lower than that set by the Court at \$3,765,000 odd, and by using both these figures we came to an understanding with the Council as to the amount of taxes we would pay for the next five years.

. Was there any appraisal made of your plant at any other time than the one that is not paid up yet?

A. There have been three made since I have been there.

. Then probably you can tell me the value of the three appraisals put on your plant? A. The first two we have the records of in the office, and the third is not completed yet.

. Did the Dominion Textile Company make an appraisal of your plant before they became interested in it? A. I don't know anything about that.

. You don't know anything about that? A. No.

. Well, do you contend that your plant is entitled to pay less taxes according to the value than other property? A. One of the offers we made to the City Council was to pay them the full rate of taxes the same as has been charged to every other proprietor, based on our assessed value.

. Based on the value put on it by the Court?

100,000. Now, I ask you on what principle you  
conceded that a company such as yours is entitled to  
any less taxes than any other company in the  
holder in the community? A. Well, the value of  
our plant, as set by the appraisers, and engineers  
whom we engaged to value our plant, was considerably  
lower than that set by the Court at \$3,785,000 odd,  
and by using both these figures we came to an under-  
assessment with the Council as to the amount of taxes  
we would pay for the next five years.  
Q. Was there any appraisal made of your plant  
at any other time than the one that is not paid up yet?  
A. There have been three more since I have been there.  
Q. Then probably you can tell me the value of  
the three appraisals put on your plant? A. The  
first two we have the records of in the office, and  
the third is not completed yet.  
Q. Did the Dominion Textile Company make an  
appraisal of your plant before they became interested  
in it? A. I don't know anything about that.  
Q. Now, do you contend that your plant is  
entitled to pay less taxes according to the value  
than other property? A. One of the officers we made  
to the City Council was to pay when the fall in the  
of taxes the same as has been charged to every other  
proprietor, based on our assessed value.



A. No.

Q. Well, who would do the assessing, if not the Court? A. The Engineers.

Q. Your engineers? A. Yes.

5 Q. Oh, I see. That was quite a generous offer. You were willing to pay the rate of taxes prevailing in the municipality on an assessment, less machinery, on the assessed value put on by your engineers? A. Yes.

10 Q. I see. But I asked you this question: Do you contend that your company is entitled to special consideration, that it is not entitled to pay the full amount of taxes that it would ordinarily pay, let us say, on the assessed value as decided by the competent courts of the land? A. Based on the true value of our plant we are prepared to pay the same rate of taxes as any other proprietor in Valleyfield.

15 Q. I am saying based on the assessment that is put on it in the judicial proceedings? A. We do not take that figure as correct.

20 Q. No, but I am saying, do you contend that you ought to be treated any differently than any other individual, because they have to accept the assessment that is put on by judicial proceedings.

MR. HEWARD: No, they do not.

MR. BALLANTYNE: They can appeal.

30 MR. McHUR: Is it not an appeal in a judicial

Q. No.

Q. Well, who would be the assessing, if not

the County? A. The Township.

Q. Your answer is Yes.

A. Yes, I am.

offer. You were willing to pay the rate of taxes

provided the municipality on an assessment, lease

machinery, on the assessed value put on by your

engineers? A. Yes.

Q. I see. But I asked you this question; do

you contend that your company is entitled to

special consideration, that it is not entitled to

pay the full amount of taxes that is would ordinarily

pay, let us say, on the assessed value as decided

by the competent courts of the land? A. Based

on the true value of our plant we are prepared to

pay the same rate of taxes as any other proprietor

in Valleyfield.

Q. I am saying based on the assessment that is

put on it in the judicial proceedings? A. No.

do not take that figure as correct.

Q. No, but I am saying, do you contend that you

ought to be charged any differently than any other

individual, because they have to accept the assess-

ment that is put on by judicial proceedings.

Q. No, they do not.

A. Yes, they do.

Q. Is it not an appeal in a judicial



proceeding.

MR. BALLANTYNE: There would have been an appeal here, only the City Council agreed with the Company.

BY MR. McRUER: Q. I am asking this question:  
Do you contend---

MR. HEARD: You are making a statement that is not correct.

MR. BALLANTYNE: The Exhibit he produces shows that there was an appeal, and in order to avoid further litigation --

MR. McRUER: I am not making any incorrect statement. All I am saying is, do you contend that your Company is entitled to any better treatment than any other individual <sup>in the</sup> municipality, and that is, that you upset the valuation put on in proper judicial proceedings, and you can appeal as far as the law allows, but that you ultimately accept it and pay the prevailing rate, and that you are entitled to nothing more, or do you contend that you are entitled to some special consideration? A. Based on the true value of our plant, we are prepared to pay the full valuation.

Q. You are perfectly intelligent, Mr. Aird.

THE COMMISSIONER: You are not answering the question as put by Mr. Schuer. He is asking if you contend that you are entitled to any special consideration.

THE WITNESS: We have never asked for it on that

PROCEEDINGS.

MR. SHYDIE: There could have been an appeal.  
Now, only the City Council agreed with the company.

BY MR. SHYDIE: I am asking this question:

Do you contend -

MR. SHYDIE: You are making a statement that is

not correct.

MR. SHYDIE: The evidence is shown above

that there was an appeal, and in order to avoid further

discussion -

MR. SHYDIE: I am not making any incorrect state-

ment. All I am saying is, do you contend that your

company is entitled to any better treatment than any

other individual, municipality, and that is, that you

upset the valuation put on in proper judicial proceed-

ings, and you can appeal as far as the law allows,

but that you ultimately accept it and pay the prevail-

ing rate, and that you are entitled to nothing more,

or do you contend that you are entitled to more

special consideration based on the true value

of our plant, we are prepared to pay the full value

thereof.

MR. SHYDIE: I am not making any incorrect state-

ment. You are not answering the

question as put by Mr. Shydie. He is asking if you

contend that you are entitled to any special consider-

ation. We have never asked for it on any



basis, sir.

5 BY MR. McRUER: Q. Well, I am asking you what your position is in regard to a perfectly simple matter of taxation, and that is, do you claim that you are entitled to some special consideration, or do you state that you are accepting the assessment that is put on in proper judicial proceedings, and that you will pay the proper rate that prevails in the municipality, that is all.

10 A. I do not know how to answer that, Mr. McRuer, in view of the agreement we have with the city at the present time.

15 WASH OUT. Wash out the agreement. I want to know your position in regard to it.

THE COMMISSIONER: Is this man the proper man to get the information from Mr. McRuer? Can he speak for the company?

MR. McRUER: Probably not.

20 MR. BEAUREGARD: He negotiated the arrangement.

BY MR. McRUER: Q. You negotiated the agreement with the City Council, did you not? A. Right.

THE COMMISSIONER: All right.

25 BY MR. McRUER: Q. I think there is something in the Directors' minutes about appreciation of your negotiations and arrangements; you wrote letters, and so on, in the conduct of the negotiations, and I want to know what your position is? A. We are not asking for any favourable consideration.

30 Q. That is, that you are prepared as a matter of

March, 1911.

BY MR. MOHRER: Q. Well, I am asking you what

your position is in regard to a perfectly simple matter

of taxation, and that is, do you claim that you are

entitled to some special consideration, or do you state

that you are accepting the assessment that is put on

in proper judicial proceedings, and that you will pay

the proper rate that prevails in the municipality, that

is all. A. I do not know how to answer that.

BY MR. MOHRER: In view of the agreement we have with the

city at the present time.

. Each out the agreement. I want to know

your position in regard to it.

THE COMMISSIONER: Is this man the proper man

to get the information from Mr. Mohrer? Can he speak

MR. MOHRER: Probably not.

MR. MOHRER: He negotiated the arrangement.

BY MR. MOHRER: Q. You negotiated the agreement with

the City Council, did you not? A. Right.

THE COMMISSIONER: All right.

BY MR. MOHRER: Q. I think there is something in

negotiations and arrangements; you wrote letters, and

on, in the conduct of the negotiations, and I want

to know what your position is?

for any favorable consideration.

. That is, that you are prepared as a matter of



principle to pay the regular taxes on the regular assessment that would be put on your property by a competent court. A. That is what we offered them in 1933 or 1934. What will happen at a later date I cannot tell you.

Q. Your offer in 1933 or 1934 was not that, it was to pay on the basis of the valuation put on by your engineers, by the valuation put on by your engineers, and the valuation put on by the proper courts are two different things. Did you ever offer the municipality that you would just pay on whatever assessment the courts would put on? A. No. I remember--

Q. Because I remember that in the early history we had something in the Minutes about a bonus, and something about a fixed assessment, and I thought we might have some statement from you as to your position.

BY THE COMMISSIONER: Q. Well, that fixed assessment came to an end, did it not? A. No, sir.

Q. There was a by-law passed a long time ago, I just forget the terms of it.

BY MR. McRUER: Q. Well, it is a fixed amount at the present time. A. For 1933 and 1934 we paid the sum of \$45,000 a year.

BY THE COMMISSIONER: Q. That is the last statement? A. Yes.

Q. Was there not a by-law previous to that?

A. Yes, according to the minutes read by Mr. Mcruer the other day there were several.

...to pay the transfer taxes on the transfer  
...that would be put on your property by a  
...in 1900 or 1901. ... will be a later date  
...

...Your offer is made or is not made?  
...it was to pay on the basis of the valuation put on by  
...your engineers, by the valuation put on by your engineer  
...and the valuation put on by the proper courts and the  
...different things. Did you ever offer the municipality  
...that you would just pay on whatever assessment the  
...courts would put on? ... I remember--

...Because I remember that in the early history  
...we had something in the minutes about a bonus, and  
...something about a fixed assessment, and I think you  
...might have some statement from you as to your position.  
...BY THE COURT: ... Well, that fixed assessment

...to an end, did it not? ... Yes, sir.  
...There was a by-law passed a long time ago.  
...I just forget the terms of it.

...BY THE COURT: ... Well, it is a fixed amount  
...at the present time. ... For 1900 and 1901 we  
...paid the sum of \$20,000 a year.

...BY THE COURT: ... That is the last state-  
...ment? ... Yes.

...There was a by-law passed a long time ago.  
...according to the minutes read by Mr. Mayor

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MR. McRUER: There was a bonus given and a fixed assessment for 20 years.

BY THE COMMISSIONER: Q. That has expired a long time ago? A. Oh, yes.

MR. BEAUREGARD: We have that verified by the Clerk of the Town, I think.

BY THE COMMISSIONER: Q. Well now, there is just the arrangement you have made lately, for a period of

years? A. Yes, sir. We made an arrangement with the city to pay \$40,000 a year municipal taxes for the years 1933 and 1934, and for 1935, 1936, 1937, 1938 and 1939 at the rate of \$40,000 a year.

Q. And what about the school taxes? A. We are paying full school taxes on the value as set by the Court at \$3,675,917.

BY MR. Beauregard: Q. Since when are you paying full taxation for school purposes? A. Since this case came up.

Q. Before you were exempted or commuted? A. Well, I won't speak for before that.

BY MR. McRUER: Q. Do you not know what it was before you conducted your negotiations? A. No, it expired before I got there.

BY McRUER: Q. Can you give me the production, in yards, for the years 1929 and 1935. I want to see how much--

MR. BALLANTYNE: Units per weaver?

BY MR. McRUER: I want the production in units,

BY MR. BRYDIE: There was a bonus given and a fixed assessment for 20 years.

BY THE COURT: That has expired a long time ago?

MR. BRYDIE: It has not expired by the effect of the law, I think.

BY THE COURT: Well now, there is just the arrangement you have made lately, for a period of years to pay \$40,000 a year municipal taxes for the years 1933 and 1934, and for 1935, 1936, 1937, 1938 and 1939 at the rate of \$40,000 a year.

AND WHAT ABOUT THE SCHOOL TAXES?

MR. BRYDIE: Full school taxes on the value as set by the Court at \$2,000,000.

BY MR. BRYDIE: Since when are you paying full taxation for school purposes?

MR. BRYDIE: Since 1933.

BEFORE YOU WERE EXEMPTED OR COMPLETED?

MR. BRYDIE: I don't know what it is.

BY MR. BRYDIE: Do you not know what it is?

MR. BRYDIE: I don't know.

IT EXPIRED BEFORE I GOT THERE.

BY MR. BRYDIE: Can you give me the protection, in years, for the years 1933 and 1934. I want to

BY MR. BRYDIE: I want the protection in full

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that is for the weaving, how much cloth was woven in 1929 and 1935, that is in yardage. One of your employees stated that he made \$35.00 a week on a particular type of machine in 1929.

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THE COMMISSIONER: Did you say \$40.00 per week?

MR. McRUER: I think it was \$35.00, my lord.

How much did he say he made on a marguissette machine?

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MR. BALLANTYNE: He did not say he made it. He said it was two other weavers.

MR. McRUER: He said there were two weavers who were paid \$54.00 and \$48.00 for two weeks.

THE COMMISSIONER: That is for a fortnight?

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MR. HEWARD: In 1927.

BY MR. McRUER: Q. And your statement was that you did not know the marguissette machine was in operation at that time? A. That is what they tell me.

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Q. That is your information? A. Yes.

Q. But did you check up to determine whether or not weavers had made, in 1927, as high as \$54 and \$48 in a fortnight? A. No, sir.

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Q. You did not check up to see whether that amount had been earned irrespective of the type of machine? A. No, sir.

THE COMMISSIONER: Have you much further to go, Mr. McRuér?

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MR. McRUER: Yes, my lord.

THE COMMISSIONER: Then we will adjourn now until two o'clock.

-- The Commission adjourned to resume at 2 P.M.

that is for the sewing, how much cloth was woven

particular type of machine is 1932.

Q. Did you say \$47.00 per week?

A. I think it was \$45.00, my lord.

Q. How much did he say he made on a marginette machine?

A. He said he did not say he made it. No.

Q. And it was two other weavers.

A. Yes, my lord. He said there were two weavers.

Q. Who were paid \$44.00 and \$45.00 for two weeks.

A. The other one? That is for a fortnight?

Q. My lord, I am your statement two that

you did not know the marginette machine was in

operation at that time? A. That is what they tell

me. A. Yes.

Q. But did you check up on getting a machine

or not sewers had made, in fact, as high as \$45.00

as in a fortnight? A. No, sir.

Q. You did not check up to see whether that

amount had been earned from the sale of the goods of

the machine? A. No, sir.

Q. And you did not check up to see whether or not

the machine was in fact

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AFTERNOON SESSION

-- On resuming at 2 P.M.

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MR. MORUER: Q. When we were in Valleyfield I was asking Mr. Gurnham about maintenance wages that were listed in the payrolls for the two pays that were sent to the Price Spreads Inquiry - that is, for the last two weeks of February, 1934 and the last two weeks of February 1933. In the payroll for the last two weeks of February 1934 under the heading of maintenance we have \$5,840. in a total fortnightly pay of \$38,125., and in 1933 it was \$10,167. in a total fortnightly pay of \$28,150. Are you able to tell me what was the character of the maintenance that was included in those pays? A. The information you asked for in Valleyfield is now being prepared. Extra staff has been taken on to produce the figures you asked for.

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Q. Well then, as a result of the comparison with the rates of wages prevailing in other mills, I am told that the results indicated that the average rate per hour, even including those maintenance men's wages, was about two cents an hour lower in the Valleyfield mill than the average rate prevailing in other Quebec mills?

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MR. HEWARD: Q. When?

MR. MORUER: This is at the Price Spread Inquiry.

MR. HEWARD: I mean, average rate when?

MR. MORUER: Taken from the two pays that were submitted.

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Q. Were you aware of that?

A. No.

-- ON MARCH 12 1938

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Q. Now we were in the hospital  
I was working for the hospital  
that were listed in the payroll for the two years  
that were sent to the Police Canada Inquiry - that  
is, the last two weeks of February, 1938 and the  
last two weeks of February 1938. In the payroll for  
the last two weeks of February 1938 under the heading  
of maintenance we have \$1,000. In a local hospital  
pay of \$40,000, and in 1938 it was \$10,000. In a  
total hospital pay of \$40,000. And you said the  
total was \$10,000. The maintenance of the maintenance  
that was included in these pay.  
Q. The information you asked for in the hospital is not being  
prepared. But it has been taken on to produce  
the figures you asked for.

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Q. Well then, as a result of the comparison  
with the rates of wages prevailing in other mills,  
I am told that the results indicated that the earnings  
rate per hour, even including those maintenance men's  
wages, was about two cents an hour lower in the  
Valleyfield mill than the earnings were prevailing in

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Q. Now, A. Yes.  
Q. Now, this is the same thing.  
Q. I mean, even a wage when  
Q. Now, you know the two pay and wages

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Q. You had not heard that evidence given?

A. No.

Q. Well, if that be a fact are you in a position to offer any explanation as to why the average hourly rate should be lower in the Valleyfield mill than the average hourly rate prevailing for the whole of Quebec in the textile industry? A. No, not before first checking it up.

Q. I am saying assuming that is true, have you any explanation to make as to why it should be? A. No.

MR. BALLANTYNE: Does that come from the Price Spread's report?

MR. McRUR: Yes, I don't know whether from report - from Mr. Howson's analysis of it.

MR. BALLANTYNE: You mean the Montreal cottons according to that report, was below the average?

MR. McRUR: The average rate for 1934 for Montreal cottons--

MR. HEWARD: For the whole year?

MR. McRUR: No, the payroll submitted for 1934 was 25.4 per hour and that includes the maintenance wages and the average rate for 1933 was 27.9 cents an hour. On the average for all Quebec mills for 1934 was 25.49 and 1933 28.14.

MR. HEWARD: So that it was higher in 1933 and lower in 1934, is that the situation - Valleyfield average?

MR. McRUR: No, that is average for all Quebec mills. That is quite true. I think there is a letter from Mr. Gordon here that explains that too.

Q. You know Mr. Gordon's signature? A. Yes sir.

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and

You had not heard that evidence given?

A. Well, if that be a fact are you in a position to offer any explanation as to why the average hourly rate should be lower in the Valleyfield mill than the average hourly rate prevailing for the whole of Quebec in the textile industry? A. No, not before first checking it up.

A. I am saying assuming that is true, have you any explanation to make as to why it should be?

Spread's report?

MR. MONTGOMERY: Yes, I don't know whether from report - from Mr. Ross's analysis or not.

MR. BRYCE: You mean the Montreal cottons according to that report, was below the average?

MR. MONTGOMERY: The average rate for 1934 for Montreal cottons--

MR. MONTGOMERY: For the whole year?

MR. MONTGOMERY: No, the payroll amounted for 1934

was 25.4 per hour and that includes the maintenance wages and the average rate for 1933 was 27.3 cents an hour. On the average for all Quebec mills for 1934 was 26.42 and 1933 26.14.

MR. MONTGOMERY: So that it was higher in 1933 and lower in 1934, is that the situation - Valleyfield?

MR. MONTGOMERY: No, that is average for all Quebec mills. That is quite true. I think there is a letter from Mr. Gordon where that explains that too. A. You know Mr. Gordon's signature? A. Yes sir.



Q. That is Mr. Gordon's signature? A. Right.

THE COMMISSIONER: This is a recent letter?

MR. MORUER: No, a letter that comes from the

Price Spreads records dated 17th October, 1934. It explains these two payrolls. Inasmuch as these two payrolls have been filed with us, I would like to have Mr. Gordon's letter filed too, because it explains that item of maintenance to a certain extent.

THE COMMISSIONER: This letter comes from where?

MR. MORUER: It comes from the records that were left behind the Price Spreads' inquiry. It is a letter addressed to Messrs. Clarkson, Gordon and Dilworth.

THE COMMISSIONER: All right, it will be exhibit 328.

EXHIBIT 328: Letter dated 17th October, 1934, from Montreal Cottons to Messrs. Clarkson, Gordon & Dilworth.

THE COMMISSIONER: I presume you mean Mr. G. Blair Gordon?

MR. MORUER: Yes.

Q. That is correct - that is Mr. G. Blair Gordon's signature? A. Yes.

Q. It is on the stationery of Montreal Cottons Ltd.? A. Yes.

Q. "This Company is to some extent allied with the Dominion Textile Co. Ltd., for executive and administrative purposes, which accounts for a similarity in the general form and treatment of these figures with those of that Company."

The last fiscal year for this Company ended on December 31st, 1933, so that the first year of

Q. That is Mr. Gordon's signature?  
A. Yes.  
Q. THE COMPTON: This is a recent letter?  
A. Yes. Mr. Compton: N. a letter that comes from the  
Price spreads records dated 17th October, 1934. It  
explains these two payrolls. Inasmuch as these two  
payrolls have been filed with me, I would like to  
have Mr. Gordon's letter filed too, because it ex-  
plains that item of maintenance to a certain extent.  
Q. Now, Mr. Compton, this letter comes from where?  
A. It comes from the payrolls that were  
left behind the Price spreads, inquiry. It is a  
letter addressed to Messrs. Clarkson, Gordon and  
Milner.  
Q. THE COMPTON: All right, it will be exhibited

EXHIBIT 302: Letter dated 17th October,  
1934, from Montreal to Toronto  
to Messrs. Clarkson, Gordon  
and Milner.  
Q. THE COMPTON: I presume you saw Mr. A. Gordon?  
A. Yes.  
Q. That is correct - that is Mr. A. Clark Gordon's  
signature?  
A. Yes.  
Q. It is on the stationery of Montreal Comptons  
Ltd.?  
A. Yes.  
Q. "This company is no longer allied with  
the Dominion Textile Co. Ltd., for executive and  
administrative purposes, and therefore the  
solidarity in the general form and treatment of  
The last fiscal year for this company ended  
on December 31st, 1934, so that the first year of

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Aird

our ten year period is 1924, and 1929 for the five year period, and not 1925 and 1930 as in the case of the Dominion Textile Co. Ltd.

5 There are various other points where this Company differs essentially from the Dominion Textile Co. Ltd., which are, perhaps, worth noting for your information, viz.:

Item No.10 You will note we do Flock Printing.

10 This is an entirely different operation from the Calico Printing carried on by Dominion Textile Co. Ltd., at its Magog Print Works, and is a comparatively small department of our business. Our main business is cotton goods dyed in the piece.

15 Item No.15 You will note from the appendix to this item, which gives the details of our wage policies, &c., that these have not been concurrent with those of the Dominion Textile Co. Ltd., although certain labour conditions indigenous to the cotton industry are naturally reflected in both returns, such as the training of apprentices, &c."

20 That has reference to Item 15 which was on the questionnaire.

25 Items Nos.16 & 17 Although, as explained in appendix to

Item No. 15, there has been no change in general wage levels in our mill over the past five years, the figures shown in the totals for our summaries of pay rolls would seem to indicate the contrary at first glance. The average wage per 110 hours is shown as \$29.90 in February, 1933.

our ten year period is 1942, and 1943 for the five year period, and not 1937 and 1942 as in the case of the Dominion Textile Co. Ltd.

There are various other points where this

company differs essentially from the Dominion Textile Co. Ltd., which are, perhaps, worth noting for your information, viz.:

Item 1. For will note we do stock trading.

Item 2. This is an entirely different operation from

the textile trading carried on by Dominion

Textile Co. Ltd., at the same time.

Item 3. This is a comparatively small department of

our business. Our main business is cotton

goods dyed in the house.

Item 4. You will note from the appendix to this

item, which gives the details of our wage

policy, etc., that there have not been

agreements with those of the Dominion Textile

Co. Ltd., either a certain labor conditions

indigenous to the cotton industry are

naturally reflected in both returns, such as

the training of apprentices, etc.

That has reference to item 5 which was on the

questionnaire.

Item 6

Item 7. Although, as explained in appendix to

Item 8. 12, there has been no change in

general wage levels in our mill over the

past five years, the figures shown in the

totals for our summaries of pay rolls

would seem to indicate the contrary at

first glance. The average wage per 110

hours is shown as \$5.35 in February, 1938,

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and \$27.68 in February, 1934, but a closer examination of the detail of wages and rates will reveal the true reason. In 1933, when a considerable amount of revamping and repair work, started in 1930 and 1931, was still going on, the Maintenance Department, employing carpenters, millwrights, &c., at high rates of wages, accounted for more than one quarter of the total pay roll. In 1934 this class of work had fallen off very considerably, and, at the same time the regular operating departments of the mill were more fully occupied so that the wages of the Maintenance Department represented only one tenth of the total pay roll, and their effect on the average of the plant was, therefore, much less. Apart from this fact, it should be noted that while there are many changes between rates of pay for various occupations between 1933 and 1934, these were in the nature of adjustments to new machinery and task conditions, with the increases and decreases balancing up.

We trust you will find our returns complete in every way. We can assure you that if there is any further information you require we will be glad to furnish same upon request.

Yours tr ly,

THE MONTREAL COTTONS LIMITED

"G. B. Gordon"

Managing Director."

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and \$27.50 in February, 1934, but a closer  
examination of the total of wages and  
rates will reveal the true reason. In 1933,  
when a considerable amount of reworking  
in repair work, started in 1933 and 1934,  
was still going on, the maintenance depart-  
ment, with its equipment, plant, and  
so., at high rates of wages, accounted for  
more than one quarter of the total pay  
roll. In 1934 this class of work had fallen  
to a very considerably, and, at the same time  
the regular operating departments of the mill  
were more fully equipped so that the wages  
of the maintenance department represented  
only one tenth of the total pay roll, and  
their effect on the average of the plant was,  
therefore, much less. Apart from this fact,  
it should be noted that while there are  
many changes between rates of pay for various  
occupations between 1933 and 1934, these  
were in the nature of adjustments to new  
regulatory and task conditions, with the  
increases and decreases balancing up.  
The fact, on which our return com-  
plete in every way. We can assume you that  
if there is any further information you re-  
quire we will be glad to furnish it.

Respectfully,  
Robert Brady  
General Manager

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Q. Mr. Aird, when did you start to produce rayon in substantial quantities at the mill there?

A. To my knowledge it commenced in about 1929 and gradually increasing each year.

5 Q. Has it been increasing since you went there in 1932? A. Yes.

Q. To what extent. How would 1935 compare with 1932 in the production of rayon? A. Considerably more.

10 Q. Would it be twice as much? A. Yes.

Q. More? A. Probably.

Q. You would probably be able to give us your rayon production without much difficulty? A. Rayon consumption.

15 Q. Your production of rayon? A. Well, it would be easier to give you rayon consumption for the simple reason that a lot of our fabrics woven at Valleyfield has a certain part of cotton. It would not be possible to separate them.

20 Q. You cannot separate those that are partly of rayon and partly of cotton? A. Oh, I question very much if the records will show that but we could give you the consumption.

25 Q. Probably you might give me your rayon consumption, if you please - run it from 1930 on? A. Right.

Q. What are you doing this year - how is your rayon consumption this year? A. The first few months of the year showed an increase over last year.

30 Q. What do you mean by the first few months - how many? A. January and February and March.

Q. Mr. Aird, when did you start to produce

any in substantial quantities at the mill there?

A. To my knowledge it commenced in about 1935 and

gradually increasing each year.

Q. Has it been increasing since you went there

A. Yes.

Q. To what extent. How would 1935 compare with

1938 in the production of rayon? A. Considerably

more.

Q. Would it be twice as much? A. Yes.

Q. You would probably be able to give me your

best estimate of the amount of rayon produced in 1935

consumption.

Q. Your production of rayon? A. Well,

it would be easier to give you rayon consumption

for the single reason that a lot of our rayon

woven at Valleyfield has a certain part of cotton.

it would not be possible to separate them.

Q. You cannot separate these that are really

of rayon and partly of cotton? A. No, I

question very much if the records will show that

but we could give you the consumption.

Q. Probably you might give me your rayon con-

sumption, if you please - from 1935 on?

A. Right.

Q. What are you doing this year - how are

your rayon consumption this year? A. The

first few months of the year showed an increase over

last year.

Q. Just as you mean by the first few months -

A. January and February and March.

how many?



Q. How about April? A. April I would say is just about the same as last year.

Q. Have you the figures?

THE COMMISSIONER: Q. You say January and February and March showed an increase? A. Yes.

MR. McRUER: Q. How about May - have you got the figures yet? A. May I know is going to show a decrease.

Q. Would you be good enough too to give us the consumption of rayon for the first five months of the years 1934 - 1935 and 1935 - can you do that? A. Right.

Q. Now, has it been your experience that there has been a great increase in the production of rayon throughout the Dominion during the last three years? A. I can only speak from hearsay.

Q. Of course, I take it that you keep your finger on the matter fairly well. Do you belong to the Silk Association? A. No.

Q. You do not have the benefit of their production returns? A. I am basing my reference on what I am told by Courtwald's man.

Q. And what do they tell you? A. Told me they are increasing their plants to take care of the demand.

Q. A big increase? A. No, I would not say big increase - an increase.

Q. Have you used acetate yarns in the past? A. Very small quantities.

Q. Where did you get them from? A. We have had a few lots from abroad. The major portion has come from the Celanese Company in Canada.

Q. Now about 1911?

A. Yes, that was the year.

Q. Have you the figures?

A. Yes, I have them.

Q. February and March showed an increase, is that right?

A. Yes, that is right.

Q. Now about 1912 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1913 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1914 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1915 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1916 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1917 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1918 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1919 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1920 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1921 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1922 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1923 - have you a report on that?

A. Yes, I have a report on that.

Q. Now about 1924 - have you a report on that?



Q. Is there any reason why you have used small quantities?  
A. Well, demand for the fabrics we were weaving called for rayon.

5 Q. Did you not wish to manufacture acetate combinations or use acetate yarns?  
A. No, we wished to keep down to as low a point as possible in the acetate.

10 Q. What was your reason for that?  
A. As far as we could learn the demands for the fabrics suitable to our mill were mostly all of the rayon construction, therefore instead of having variety of acetate deniers throughout the mill and viscos deniers we stood by the rayon requiring larger quantities.

15 Q. Are you able to get all the acetate yarns you wished at a suitable price, a price that you considered reasonable from the celanese company?

A. Yes, what small quantities we ordered, yes.

Q. Well, did you try to order large quantities?

A. Not since I have been with Montreal Cottons, No.

20 Q. Are you using any acetate yarn now?

A. Small quantities.

Q. Or any acetate yarns on order?  
A. I

could not say any on order, I would say we are using a small quantity at the moment.

25 Q. Have you ordered any recently?  
A. Yes, during 1936.

Q. Where from?  
A. From the Celanese Company.

30 Q. You are not importing any acetate yarns now or buying any imported acetate yarns?  
A. No.

Q. It is the only reason why you have used steel  
reinforcement?

A. We were working under a contract.

Q. And you were not to manufacture concrete

components or use concrete panels?

A. We wished to keep down to as low a point as possible

in the costs.

Q. Do you see your reason for that?

A. But we could learn the demands for the interior

eligible to cut still were mostly all of the region

construction, therefore instead of having variety

of concrete members throughout the mill and viscous

members as a load of the region requiring further

Q. Are you able to get all the concrete gains

you wished at a suitable price, a price that you

considered reasonable from the Japanese company?

A. Yes, what small quantities we ordered, yes.

Q. Well, did you try to order larger quantities?

A. Not since I have been with Montreal Concrete, Inc.

Q. Are you using any concrete gains now?

A. Small quantities.

Q. On any concrete gains on order?

A. Only not say on order, I will say we are

using a small quantity at the moment.

Q. Have you ordered any recently?

A. During 1965.

Q. Where from?

A. From the Japanese

company.

Q. You are not importing any concrete gains

now or paying any imported concrete gains?



Q. Now, what have you got to say about Japanese competition in respect to your goods - have you experienced any competition in respect to your goods,

A. Yes, a couple of low numbers, up till the present.

Q. What two numbers do you suggest in which you have experienced Japanese competition? A. There is RT58 and VZ75.

Q. What is RT58? A. That is one you had up with Mr. Gordon, the Ming Toy.

Q. What is VZ75? A. It is a fabric somewhere along the same line as RT58.

Q. What is it? A. All rayon fabric.

Q. What do you call it? A. You can call it Ming Toy also.

Q. No, taffeta or crepe - give me the specifications of it? A. It is a taffeta, plain weave.

Q. What width? A. 36 inch wide.

Q. Now, why do you say that you have experienced Japanese competition in respect to these two - on what do you found that statement?

MR. HEWART: Are you speaking about the specifications for RT or VZ?

MR. McRUER: Q. VZ75, is not it? A. Yes.

MR. HEWARD: Q. Is that the one that was a taffeta weave, plain weave? A. Yes.

MR. McRUER: Q. Why do you say you are experiencing Japanese competition in respect to these two fabrics? A. Well, the RT58, the demand for our

Q. Now, what have you got to say about Japanese  
competition in respect to your goods - have you ex-  
perienced any competition in respect to your goods,  
A. Yes, a couple of low numbers, up till the present  
Q. What two numbers do you suggest in which you  
have experienced Japanese competition?  
A. There  
is RTB and MVB.  
Q. What is RTB?  
A. That is one you  
had up with Mr. Gordon, the Ming Toy.  
Q. What is MVB?  
A. It is a fabric  
somewhere along the same line as RTB.  
Q. What is it?  
A. All rayon fabric.  
Q. What do you call it?  
A. You can call  
it Ming Toy also.  
Q. No, taffeta or crepe - give me the specifica-  
tions of it?  
A. It is a taffeta, plain  
weave.  
Q. Now, why do you say that you have experienced  
Japanese competition in respect to these two - on  
what do you found that statement?  
MR. HARRIS: Are you speaking about the specifica-  
tions for RT or VY?  
MR. MORRIS: Q. VY, is it?  
A. Yes.  
MR. HARRIS: Q. Is that the one that was a  
taffeta weave, plain weave?  
A. Yes.  
MR. MORRIS: Q. Why do you say you are experi-  
ing Japanese competition in respect to these two  
fabrics?  
A. Well, the RTB, the crepe, the one

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product has dropped off, orders not so plentiful.

Q. Were you making it last year? A. Yes.

Q. What was your production on it last year?

5 A. I will have to get that for you.

Q. Production by the month, will you? A. Yes.

Q. Were you making it the year before? A. Began  
in April 1934.

10 Q. Will you give me production on it per month  
since you started to make it? A. Yes.

Q. On VZ75, why do you say that you are suffering  
from Japanese competition on that? A. I will  
get you the same information you asked for in the other.

15 Q. Why do you say you are suffering from  
Japanese competition on it? You have made a  
statement now that you are? A. On account  
of it being a cheap rayon.

20 Q. It is a cheap rayon but I am saying - why do  
you say you are suffering from Japanese competition  
on it? A. Well--

Q. Has anybody told you that they cannot sell  
it because of Japanese goods competing with it?

A. Well, have not actually told me personally, no.

25 Q. Have you had a report from any one that you  
cannot sell either of those because of Japanese  
goods competing with it? A. As a general state-  
ment, no.

30 Q. Well, as a general or specific or any other  
kind of a statement, have you had that information  
reported to you that Japanese goods have interfered

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with the sale of these goods? A. Right.

Q. Who has told you? A. Through the sales office.

5 Q. Who - I want the names of the people who say that they cannot sell either of your goods because of Japanese goods, because I want them to come here and say so under oath? A. All right, we will have to get some of the sales department.

10 Q. Can you give me the names of them and they will tell the names of the parties they cannot sell because these parties are buying Japanese goods. Has there any such situation ever come to your attention? A. Yes, I have been told on several occasions about  
15 this Japanese competition and if you wish somebody to prove it to you, why then I will have to ask somebody from the sales department to come and see you.

20 Q. I invite you to bring any one who will say they have not bought your goods because they are being supplied with Japanese goods instead - to produce the names of any one who have said to you that they are using Japanese goods instead of your goods and therefore cannot buy, and I will bring them here. Now--

25 MR. HEWARD: He just said that he gets his information from the sales--

30 MR. McHUR: No, please do not interfere with my invitation to Mr. Aird because I want it quite clear and specific and I want to make very sure he understands it.

with the sale of these goods?

Q. Who has told you?

Ans.

Q. Who - I want the names of the people who say

that they cannot sell either of your goods because of

Japanese goods, because I want them to come here and

say so now, don't they?

Ans. All right, we will have

to get some of the sales department.

Q. Now you give me the names of them and they

will tell the names of the parties they cannot sell

because these parties are buying Japanese goods. Has

there any such situation ever come to your attention?

Ans. Yes, I have been told on several occasions about

this Japanese competition and if you wish somebody to

prove it to you, why then I will have to ask somebody

from the sales department to come and see you.

Q. I invite you to bring any one who will say

they have not bought your goods because they are being

upplied with Japanese goods instead - to produce the

names of any one who have said to you that they are

using Japanese goods instead of your goods and there-

fore cannot buy, and I will bring two here. Now--

Ans. He just said that he was his

information from the sales--

Q. Now, please do not interfere with my

invitation to Mr. Smith because I want to make a very

and specific and I want to make very sure he cannot



Q. You have made statement in regard to these two fabrics that the Japanese goods are interfering with them. Do you know whether there is similar Japanese goods to these fabrics being sold on the market now in Canada? A. I cannot answer that question.

Q. Then I may take it that you, the general manager, know of no Japanese goods that are similar to these goods that are being sold in Canada today? A. Except what I have been told by the sales department.

Q. I say, you don't know of any yourself? A. I don't call on the trade.

Q. Just answer my question - I say you don't know of any yourself?

MR. HEWARD: He answered it and said what he had been told by the sales department.

MR. McHUR: Q. You do not know of any goods similar to your goods that are being sold on the market just now which goods have emanated from Japan? If they are glutting the market I would think you would have your office full of samples, and all I am putting up to you is - you don't know of any?

THE COMMISSIONER: Q. Do you know or do you not? A. I only know what I have been told.

MR. McHUR: Q. I am going to get at what you have been told. All I say is, you know of no goods of your own knowledge that have come from Japan that are being sold on the market now that are competing

Q. You have made statement in regard to these  
two factors that the Japanese goods are sold in  
with them. Do you know where there is similar  
Japanese goods to these factors being sold on the  
market now in Canada? A. I cannot say.

That is correct.

A. Then I may take it that you, the General  
Manager, know of no Japanese goods that are similar  
to these goods that are being sold in Canada today?  
A. Except what I have been told by the sales de-

partment.

A. I don't call on the market.

Q. Just answer my question - I say you don't

know of any yourself?

MR. BRYDIE: He answered it and said what he

had been told by the sales department.

MR. BRYDIE: A. You do not know of any goods

similar to your goods that are being sold on the

market that you which goods have estimated from 15 and

if they are affecting the market I would like you

would have your office full of samples, and all I am

putting up to you is - you don't know it say?

MR. BRYDIE: A. Do you know or do you not?

A. I only know what I have been told.

MR. BRYDIE: A. I am going to get at what you

have been told. And I say, you know of no goods

of your own knowledge that have come from Japan that

are being sold on the market now that are competing



with those two fabrics that you have mentioned?

A. I have seen samples.

Q. When did you see the samples?

A. I

cannot give you the exact date.

Q. How long ago?

A. Let us say, about

six weeks ago.

Q. Where did you see them?

A. In the

sales office.

Q. In your sales office?

A. Yes sir.

Q. Where had they come from?

THE COMMISSIONER: Q. Is that in Montreal?

A. Yes.

MR. McRUER: Q. Where had they come from? A. I

cannot tell you.

Q. Who is incharge of the sales office? A.

Mr. J. G. Dodds.

Q. That is the man of the Dominion Textile?

A. Yes sir.

Q. By the way, the Dominion Textile have a

selling agreement with your Company? A. They act

as our selling agents.

Q. I want you to produce a copy of that agree-

ment. I intended to ask you for that. Well, so

Mr. Dodds showed you two samples - did Mr. Dodds

tell you where they were being sold? A. No.

Q. Did he tell you who were selling them in

Canada? A. He may have mentioned the name of

the agent, I did not pay any attention.

Q. You were not sufficiently interested to know

With those two parties that you have mentioned?

.. I have used them.

.. Then did you see the document? .. I

cannot give you the exact date.

.. How long ago?

.. I see you say, about

six weeks ago.

.. Where did you see them?

.. In the

.. In your name office?

.. Yes sir.

.. Where had they come from?

.. I am not sure; .. Is that in Montreal?

.. I am not sure; .. Where had they come from? .. I

.. Who is in charge of the sales office? .. A.

.. A.

.. That is the name of the company in Montreal?

.. Yes sir.

.. As of the 1st, the Dominion Textile have a

selling agreement with your company? .. They are

as our selling agents.

.. I want you to produce a copy of that agree-

ment. I intended to ask you for it. Well, as

.. as

Mr. Jones showed you two samples - the Mr. Jones

.. Mr.

tell you where they were being sold?

.. No.

.. Did he tell you who was selling them in

.. No.

.. A. He may have mentioned the name of

.. No.

the agent, I did not say any agent.

.. No.

.. You were not satisfactorily interested to know

.. No.



who were selling them? A. He did mention the names but names are so hard to remember I don't remember them now.

5 Q. I say you were not sufficiently interested either to register on your mind as to who was selling them or who was buying them. Did Mr. Dodds tell you they were being sold in Canada? A. Yes sir.

10 Q. Did he tell you that they were being sold so that they injured the sale of your product? A. Right.

Q. He told you that? A. Right.

Q. You are quite sure Mr. Dodds said that?

15 A. Yes

Q. So that we can take that now that he made that clear statement 6 weeks ago? A. Yes, may have been 7, may have been 5, I cannot give you the exact date.

20 Q. Must have been some time in April, would that be right? A. Yes sir.

Q. What type of goods was it? A. There was an all rayon fabric.

25 Q. What type of goods was it? A. There was some alpacas or plain weave, taffetas you may call them.

Q. What widths? A. Oh, several widths.

Q. What weight? A. I cannot tell you that.

30 Q. Oh, well, surely if they are competing with those they would be a similar fabric, would not they? A. Should be, yes.

1918 1918

Q. Who were selling them?  
A. He did mention the  
names but names are no hard to remember I don't  
remember them.  
Q. I say you were not sufficiently interested  
to register on your mind as to who was selling  
them or who was buying them. Did Mr. Rodda tell  
you they were being sold in Canada?  
A. Yes sir.  
Q. Did he tell you that they were being sold  
so that they injured the name of your product? A.  
Q. He told you that?  
A. Right.  
Q. You are quite sure Mr. Rodda said that?  
A. Yes.  
Q. So that we can take that now that he says  
that of our statement 6 weeks ago?  
A. Yes, my  
have been 7, may have been 6. I cannot give you the  
exact date.  
Q. Must have been some time in April, would  
that be right?  
A. Yes sir.  
Q. What type of goods was it?  
A. There was  
an all rayon fabric.  
Q. What type of goods was it?  
A. The 6  
was some elastic or plain weave, because you may  
Q. What kind?  
A. Oh, well, usually it was one comparing with  
those they would be a similar fabric, would not they?  
A. Should be, yes.

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5543

Aird

Q. You do not seem to have taken much interest in it? A. I did quite a lot.

Q. You took quite a lot of interest? A. Yes.

5 Q. I want to get all the information I can from you - if it is anything that was very vital to your business. Did you have any correspondence about it? A. No.

10 Q. How much has your sales of these two fabrics fallen off? A. When I prepare a statement for you I will be able to show you that.

Q. You don't know that? A. No.

15 Q. You have not checked that up to know if it is anything serious or not? A. I know it is less.

THE COMMISSIONER: Q. What is less?

A. Quantity sold this year.

20 MR. McPHER: Q. Yes, but the amount of any fabric goes up and down at any time, sometimes reaches a high point and then sags - that is true of all fabrics?

A. Well, in keeping with our rayon business, our rayon business has been showing an increase each year and has not--

25 Q. Can the rayon business go on increasing all over the Dominion of Canada each year? You expect it will? A. Well, rayon, as you probably

30 know, is replacing raw cotton to a very great extent, therefore if you are selling a lining in 1929 made from all cotton, 100% cotton, that may be replaced today by another fabric 100% rayon.

Q. You do not have taken much interest

And I will be with you in the day of the Lord.

• 1997 0108 0108 0108 •

MR. MORRIS: Yes, but the amount of any benefit

100-443887-100

mayon [business has been showing an increase each year

--son and his



Q. You realize there have been tremendous number of looms put on rayon over the last two or three years, being added to all the time? A. I know there has been looms installed, yes.

Q. And when the real silk or natural silk manufacturer starts manufacturing rayon that increases your competition, does not it? A. Naturally.

Q. That may affect your business? A. If it is competition, yes.

Q. Do you know to what extent your business has been affected by competition from other mills in Canada? A. Our business, rayon, the last four years has increased, even in view of the competition.

Q. And you want to go on increasing forever - you expect it will go on and increase forever?

A. No, we will keep on producing until we come to the saturation point and then we cannot go beyond.

Q. Has not there been a general complaint of overproduction of rayon over the last 7 or 8 months? A. Not on such lines as we manufacture, never heard of it.

Q. Never heard of complaint of overproduction of rayon? A. On such lines as we manufacture.

Q. Have you heard of complaint of overproduction of rayon? A. I don't know anything about that.

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Q. You realize that I have been tremendous

number of times but no more over the last two or

three years, being added to all the time?

A. I know there has been some increase, yes.

Q. And when the steel silk or natural silk

your competition, does not it?

A. That may affect your business?

is competition, yes.

Q. Do you know to what extent your business

has been affected by competition from other mills in

your years has increased, even in view of the com-

petition.

Q. And you want to go on increased forever -

you expect it will go on and increase forever?

A. No, we will keep on increasing until we come to

the saturation point and then we would go down.

Q. Has not there been a general complaint of

overproduction of rayon over the last 5 or 6 months?

A. Not on such lines as we manufacture, never heard

of it.

Q. Never heard of complaint of overproduction

A. On such lines as we man-

ufacture?

Yes.

Q. Have you heard of complaint of overproduction

of rayon?

Yes.



Q. Do you know anything about the production?

A. I know the production of our own mill, yes.

Q. I mean of the production of the other mills?

5 A. No, it is none of my business.

Q. Who looks after that? A. What mill  
are you referring to?

Q. I say on behalf of your company who looks  
after the question of whether there is too much being  
10 produced in any particular line? A. Well, the  
number of looms on any fabric is governed by the  
demand for it.

Q. Well, who looks after the question of whether  
15 there is too much production of any particular line  
that you are manufacturing? Would that come under  
Mr. Dodds? A. Well, it comes under the sales  
department.

Q. And they would report back to you?

20 A. Right.

Q. That the market seems glutted with a par-  
ticular line at the present time? A. Or the demand  
is not sufficient to warrant the present rate of  
production and to ease up a bit.

25 Q. Now, you will not forget that you are going  
to get for me the names of the firms who were not  
buying your goods, these two classes, because they  
were purchasing Japanese goods. I want the names of  
the firms it is alleged that were not buying the  
30 product of Montreal cottons because it had been re-  
placed by purchaser of Japanese goods?

11-12

11-12

Q. Do you know anything about the production?

A. I know the production of our own mill, yes.

Q. I want to know the production of the other mill?

A. No, it is none of my business.

Q. Who looks after that?

A. What will

are you referring to?

Q. I say on behalf of your company who looks

after the production of whether there is too much being

produced in any particular line? A. Well, the

number of looms on any machine is governed by the

market for it.

Q. Well, who looks after the question of whether

there is too much produced in any particular line

that you are manufacturing? Would that come under

Mr. Robb's? A. Well, it comes under the sales

department.

Q. And they would report back to you?

A. Right.

Q. What the market seems glutted with a par-

ticular line at the present time? A. Or the demand

is not sufficient to warrant the present rate of

production and to ease up a bit.

Q. Now, you will not forget that you are going

to get for me the names of the firms who were not

repaid for money, when we started, I think they

were purchasing Japanese goods. I want the names of

the firms it is a fact that were not buying the

products of Japan? I want the names of the firms

placed by purchase of Japanese goods?

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MR. HEARD: I thought he said that he did not know - that he thought his sales had fallen off.

MR. McRUER: No, he says salesmen told him that and salesmen would be able to tell him the names of the parties, and I want to track that down.

THE COMMISSIONER: Well, has he given the salesmen's names?

MR. McRUER: Q. Will you give me the salesmen's names - you said Mr. Dodds? A. He is in charge of the department.

Q. Have you any particular salesmen to refer to? A. No, you will get the information from Mr. Dodds.

Q. You have no knowledge in regard to Japanese competition then except what may have come through Mr. Dodds? A. Well,--

Q. Well, have you? Have you knowledge of any Japanese competition except the knowledge that you have received from Mr. Dodds? A. Right, put it that way.

Q. I am not putting it any way. I am asking you to swear on oath? A. I may have been told by some of the salesmen in the office but Mr. Dodds is the man who has full details and therefore in a better position to answer it than I.

Q. If you have been told by salesmen I want the salesman's name? A. I would not like to swear to it.

Q. Well, salesmen that are working for Mr. Dodds?

Mr. H. H. H. I thought he said that he did not

know - that he thought his name had been off.

Mr. H. H. H. No, no one has been told him that

and someone would be able to tell him the names of

the parties, and I want to track that down.

Mr. H. H. H. Yes, I, has he given the name-

some name?

Mr. H. H. H. Will you give me the names

names - you said Mr. H. H. H. A. He is in charge

of the committee.

Q. Have you any further information to give

of? A. No, you will get the information

from Mr. H. H. H.

Q. You have no knowledge in regard to Japanese

competition when exact what may have come the way

Mr. H. H. H. A. Well,--

Q. Well, have you any idea of

any Japanese competition at exact the time when that

you have received from Mr. H. H. H. A. Right,

but in that way.

Q. I am not sure it is any way. I am asking

you to answer on that? A. I may have been

told by some of the members in the office but Mr.

Thomas is the man who has told me that and that time

is a better name in answer to that.

Q. It has been told by someone I want the

information's name? A. I want to know the name

of it.

Q. Well, someone that has told me that Mr. H. H. H.



A. Right.

Q. So that Mr. Dodds should be able to produce any information that there is in regard to Japanese competition affecting your product? A. Right.

Q. Now, I will go back to something that you may be a little more familiar with, and that is taxes. Looking at Exhibit 324 again there are one or two things that is a little difficult for us to understand, Mr. Beauregard and I not knowing much about taxes. The mill property pays for general taxes \$40,000, pays for school taxes \$28,620. The cottages pay for general taxes \$8,619.79, school taxes \$4,369.79. Now, you say the school taxes are about exactly half of the general taxes on the cottages?

A. Yes.

Q. School taxes are just about half? A. In what?

Q. On the cottages? A. As compared to the municipal tax?

Q. Yes, but when we come to the mill property the school taxes are \$28,600, while the municipal taxes are \$40,000. One would have expected that your municipality taxes would have been \$36,000 or \$37,000 on the mill property had it been assessed on the same basis as the cottages were assessed at. Can you

explain that? There seems to be a concession of about \$17,000 a year? A. Well, the school taxes which are shown there as \$28,600 were paid based on the valuation as set by the court and the municipal tax of \$40,000 paid on the mill was an arrangement

Q. So that Mr. Brown should be able to produce  
any information that there is in regard to Japanese  
competition affecting your personnel? A. Right.

Q. Now, I will go back to something that you  
may be a little more familiar with, and that is  
taxes. Looking at Exhibit 222 again there are one  
or two things that is a little difficult for me to  
understand, Mr. Boardman and I not knowing much  
about taxes. The mill property pays for general  
taxes \$40,000, pays for school taxes \$28,820. The  
cottages pay for general taxes \$4,619.79, school  
taxes \$4,304.73. Now, you say the school taxes are

about exactly half of the general taxes on the cottages.  
A. Yes.  
Q. School taxes are just about half? A. In the  
Q. On the cottages? A. As compared to the

Q. Yes, but when we come to the mill property  
the school taxes are \$28,800, while the municipal  
taxes are \$40,000. One would have expected that your  
municipality taxes would have been \$28,000 or \$27,000  
on the mill property had it been assessed on the same  
basis as the cottages were assessed. Can you

explain that? These seem to be a concession of  
about \$11,000 a year? A. Well, the school  
taxes which are shown there as \$28,800 were paid by  
the mill property for the school and the municipality  
was \$40,000, but the mill was not assessed



between the City Council and the company.

Q. Well, the school taxes you pay of \$30,127, less 5% - what is the 5%? A. No, we don't pay

5 on \$30,000, we pay on \$3,765,917.

Q. Yes, but you get a rebate of 5% if you pay up in time? A. The school rate is 80 cents less a discount of 5% if paid within a certain date.

Q. So that if the mill taxes were worked out on the same basis as the school tax you would pay \$56,000 or without the discount \$60,000? A. Worked out on that basis, yes, but we do not admit that is right, though.

THE COMMISSIONER: Have you anybody else?

15 MR. HEWARD: Yes.

JAMES M. LOWE, Sworn

EXAMINED BY MR. HEWARD.

Q. What is your position with the Montreal Cottons? A. Superintendent of the converting division.

Q. Are you in charge of the department which has the shriner calendar machine? A. Yes.

Q. A witness, Charley Flourde, at page 5094 and following pages of his evidence, referred to the fact that certain employees had to return on Saturday afternoon, clean their machines at their own expense and others said they received only 25% for cleaning their machines whether it took one, two or three hours. After some discussion as to what

between the City Council and the company.

Q. Well, one school taxes you pay of \$20,000,

four \$5 - that is the way. A. Yes, we don't pay

on \$20,000, we pay on \$2,000, \$10.

Q. Yes, but you got a rebate of \$5 in your pay

up in time? A. The school rate is 50 cents less

a discount of \$5 at paid within a certain date.

Q. So that if the mill taxes were worked out

on the same basis as the school tax you would pay

\$20,000 or without the discount \$20,000? A. Worked

out on that basis, yes, but we do not want that is

that is the way.

Q. Now, if you had the same basis as the school tax

you would pay \$20,000, is that right?

Q. Now, if you had the same basis as the school tax

you would pay \$20,000, is that right?

Q. What is your position with the Council?

A. Superintendent of the converting

division.

Q. Now, if you had the same basis as the school tax

you would pay \$20,000, is that right?

Q. Now, if you had the same basis as the school tax

you would pay \$20,000, is that right?

Q. Now, if you had the same basis as the school tax

you would pay \$20,000, is that right?

Q. Now, if you had the same basis as the school tax



machines he meant when he referred to shriners, we found it was the shriner calendar machine. Those are the machines in your department, I think you said?

5 A. Yes sir.

Q. Do the employees on those machines work by piece work or time rate? A. Time rate.

Q. Is it part of their job to clean their machine? A. Yes, once a week.

10 Q. Are they paid for that time? A. Yes sir.

Q. At the same rate as that was used on their employment? A. Yes sir.

15 Q. And you swear that is the case throughout all that department? A. I do, in the shriner calendar.

Q. And was that the case in the shirner department? A. Yes sir.

Q. Was that the case in 1932? A. Yes, I think it was.

20 Q. You are positive of that? A. Yes.

CROSS EXAMINED BY MR. McRUER:

25 Q. Why did you hesitate when you commenced to say "I think it was" and then by Mr. Howard's suggestion you are positive, you readily consented?

A. I wanted to make absolutely certain, four years ago.

30 Q. Was there a change in it at all? A. No, they were paid time rate the whole of the time.

Q. I suppose that would be evidenced in the

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machines he meant when he referred to Shiner's.  
we found it was the Shiner's of the same machine. These  
are the machines in your department, I think you said?

A. Yes sir.

Q. Do you employ any of these machines with?

pieces work or time rate? A. Time rate.

Q. Is it part of their job to clean their

machines? A. Yes, once a week.

Q. Are they paid for that time? A. Yes sir.

Q. At the same rate as that was used on their

employment? A. Yes sir.

Q. And you stated that in the case throughout

all that department? A. Yes, in the Shiner's

department.

Q. And was that the case in the Shiner's re-

partment? A. Yes sir.

Q. Was that the case in 1927? A. Yes, I

think it was.

Q. You are positive of that? A. Yes.

Q. Now, I am going to ask you a question.

Q. Why did you hesitate when you commenced to

say "I think it was" and then by Mr. Lewis's

suggestion you are positive, you are fully convinced?

A. I wanted to make absolutely certain, your honor.

Q. You had a chance to do it at all? A. No.

Q. They were paid time rate the whole of the time.

Q. I suppose that you have not evinced in the



payroll? A. Yes sir.

Q. Are there any other machines in that department on which men are paid piece work cleaning--

MR. HWARD: In the shriner calendar?

5 MR. McRUER: Q. Well, in your department contiguous machines. Are there any machines there in the same department where the men are paid on piece work for cleaning? A. Not in the shriner department.

10 Q. You call it the shriner department - the shriner department is in what department? A. In the calendar, in the finishing room.

15 Q. But are there other machines in the finishing room where men are paid on piece work? A. None in the finishing room.

Q. Are there other machines where cleaner is paid on piece work? A. Yes, in the standard department.

20 Q. And where else? A. In the mercerizing, white cans, the binders, dye house. Those are paid piece rate. I think that is all of them.

Q. You are in the converting division? A. Yes.

Q. Cotton? A. Cotton and rayon.

25 Q. How is employment there - running full time? A. It varies, in some departments over time and other departments not full time.

Q. In the converting department? A. Yes.

30 Q. Some of them are running at over time now? A. Yes sir.

What has been done this year? A lot.  
Over the six months we have been  
working on the plan.

(The plan follows)

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JEAN-HECTOR MEURY est assermenté.

INTERROGE PAR M<sup>r</sup> BALLANTYNE:

5

Q. M. Meury, vous êtes employé à la Montreal Cottons, Limited? R. Oui, monsieur.

Q. En quelle capacité? R. Surintendant du tissage.

10

Q. M. Meury, un témoin appelé Charles Bourde a dit, à Valleyfield, a dit qu'il savait qu'il y avait des tisserands qui étaient obligés de nettoyer leurs métiers. Maintenant, d'abord, à quel temps est-ce que c'est que ces tisserands sont obligés de nettoyer leurs machines, à quel temps dans la journée, combien de fois dans la semaine?

15

R. Sur l'ancien système, une fois par semaine.

Q. A quel temps pendant la journée?

M. LE COMMISSAIRE: Antérieur à quelle date?

LE TÉMOIN: Finissant cinq ou six ans passés.

PAR M<sup>r</sup> BALLANTYNE:

20

Q. Alors, vous dites qu'ils étaient obligés de faire le nettoyage? R. Une fois par semaine.

Q. Une fois par semaine, et d'habitude à quel temps?

R. Deux heures avant la finition de l'ouvrage.

25

Q. Maintenant, est-il vrai ou non que les tisserands étaient payés pour cet ouvrage?

R. Le prix était inclus dans la prix pour la pièce.

Q. Le prix était inclus dans le prix pour la pièce?

R. Oui, monsieur.

Q. Savez-vous des cas où un tisserand a été obligé de nettoyer sans être payé? R. Jamais.

30

Q. Maintenant, un témoin à Valleyfield, M. Joseph

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INTERVIEW WITH THE WITNESS

INTERVIEW WITH THE WITNESS

1. M. JURY, vous êtes employé à la Centrale Got-

tons, n'est-ce pas?

2. Oui, monsieur.

3. Où êtes-vous?

4. M. JURY, un témoin a été chargé d'apporter à

dit, à l'interrogatoire, a dit qu'il savait qu'il y

a été des témoins qui étaient obligés de nettoyer

leurs vêtements. Maintenant, d'accord, à quel moment

est-ce que c'est que ces témoins sont obligés de

nettoyer leurs vêtements, à quel moment dans la journée?

5. Combien de fois dans la semaine?

6. Sur l'ancien système, une fois par semaine.

7. A quel moment pendant la journée?

8. M. LE COMMISSAIRE: Antérieurement à quelle date?

9. M. JURY: Finissant vers le 15 mai 1968.

10. M. LE COMMISSAIRE:

11. Alors, vous dites qu'ils étaient obligés de

la nettoyer? R. Une fois par semaine.

12. Une fois par semaine, de d'habitude à quel moment?

13. Deux heures avant la fin de la journée.

14. Maintenant, est-il vrai ou non que les té-

moins étaient payés pour nettoyer?

15. Le prix était inclus dans la paye la pièce.

16. Le prix était inclus dans la paye la pièce.

17. Oui, monsieur.

18. Revenez-vous des cas où un témoin a été obligé

de nettoyer ses vêtements?

19. Oui, monsieur.



5

Leroux, a dit qu'il était président de l'Association Catholique Ouvrière, en 1934 et 1935 et qu'il a été renvoyé de la compagnie parce qu'il était président de l'Union. Maintenant, voulez-vous dire comment..... dans quelle circonstance ce M. Leroux a été employé et dans quelle circonstance il a cessé de travailler pour la compagnie?

10

R M. Leroux n'a pas été congédié parce qu'il était président de l'Union, mais par le fait que nous avions plus d'ouvrage à lui donner dans les deux ans que nous l'avons employé, c'est-à-dire, en 1934 et 1935.

15

Q Alors, quelle sorte de travail lui avez-vous donné? R Il était engagé à "mover" des métiers, des moulins.

20

Q C'était parce que ce travail était fini, que vous n'aviez plus de travail à lui donner?

R Très binc.

Q Qu'il a été ..... R Congédié.

Q Comme question de fait, vous saviez, dans le temps, que M. Leroux avait été élu comme président; est-ce que ça, c'est la raison pour vous de la congédier? R Non, monsieur.

25

Q Alors, suivant vous, ce M. Leroux, quand il a donné ces raisons-là, s'était au moins trompé.

R Il n'a pas dit la vérité.

Q Une autre chose pour le même témoin: M. Leroux prétendant qu'après cette date date, il fallait avoir trois hommes pour le remplacer; qu'est-ce que vous avez à dire?

30

ME BEAUREGARD: Est-ce que ce n'est pas M. Ledue?

ME BALLANTYNE: Je ne crois pas, M. Beauregard, sui-





vant moi, suivant mes notes, c'est M. Leroux qui a dit qu'il fallait mettre trois hommes pour faire son travail? R Je crois que cela est faux parce que nous avons pas remplacé M. Leroux par aucune personne.

Q Vous ne l'avez pas remplacé parce que le travail était fini? R Oui, monsieur.

Q Le même témoin a dit que suivant le changement de système les tisserands étaient obligés de travailler comme des esclaves. Qu'est-ce que vous avez à dire sur la question que les ouvriers soient obligés de travailler plus fort après que la système a été changé? R Les ouvriers, c'est-à-dire, les tisserands ne travaillent pas plus fort aujourd'hui.

Q Je comprends que ce changement de système de travail a été fait pendant quelques années, commençant, disons, vers 1930-1931?

R A peu près cette date.

Q A peu près cette date? R Oui.

Q Maintenant, voulez-vous dire au juge en quoi consistait ce changement de travail. D'aboird, parles des tisserands et, après, parles des arrangeurs de métiers? R Les tisserands, aujourd'hui, travaillent sur beaucoup plus de métiers qu'au paravant, sulement, nous avons ôté tous les ouvrages pesants et difficiles pour les tisserands.

Q Alors, quels ouvrages avez-vous ôtés?

R Ça comprend: charrier les pièces qui pèsent jusqu'à 40, 50 livres, lever les boîtes de filling de 20 à 30 livres et même plus, faire le nettoyage





5553

Meury

des machines démancher le mauvais coton, jeter les smashes, balayer.....

5 Q. Ce sont les choses, les travaux qui ont été ôtés aux tisserands? R. Oui, monsieur.

Q. Et, vous dites qu'après avoir ôté ce travail, les tisserands ont pu conduire plus de métiers.

Q. Plus facilement.

10 Q. Alors, le travail sur le nouveau système, suivant vous, est plus facile que le travail sous le vieux système? R. Oui, monsieur.

Q. Maintenant, pour les arrangeurs de métiers, quels sont les changements qui ont été faits dans leur système de travail?

15 R. Ça été semblable aux tisserands.

Q. Qu'est-ce que vous voulez dire?

20 R. Ça été la même manière que les tisserands, les gros ouvrages ont été ôtés de sous la charge des arrangeurs de métiers et ça donné plus de chances aux arrangeurs de métiers de voir à la production et d'aider aux weavers pour travailler plus scientifiquement.

Q. Alors, quelles sont les choses que les arrangeurs de métiers étaient obligés de faire avant et qu'ils ne sont pas obligés de faire maintenant?

25 R. Une fois une warpe finie, il était obligé de la remplacer, ce qui était un ouvrage assez difficile, dure; ensuite, tous les gros ouvrages, c'est-à-dire, une gear de cassée, il était obligé de se salarier et de travailler de deux à trois ou quatre heures pour remédier, réparer cet ouvrage alors que le restant de sa section était souffrante.

30

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[illegible]

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

les classant à un contenu plus de métier.

maintenant, pour les attributions de médailles,

La détermination des origines des tumeurs, les

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Les travaux de réfection de voirie à la production

10-10-68

. J n e n e p i t t

all'uo to have exist as single isolated entities e

Il n'y a pas de doute que les deux premiers points de la liste sont des points de vue qui ont été exprimés par les membres du Comité. Les deux autres points de la liste sont des points de vue qui ont été exprimés par les membres du Comité.



5

Q Maintenant, ce témoin, M. Leroux, a dit que parce que les métiers marchaient seuls environ une heure après midi et une demi-heure après six heures, le soir, les arrangeurs de métiers, lorsqu'ils revenaient à leur travail à une heure et à sept heure, le matin, avaient trop d'ouvrage à faire?

R Non, monsieur.

Q Alors, pourquoi dites-vous qu'ils n'avaient pas trop d'ouvrage à faire?

10

R Ces heures extra pendant que l'arrangeur de métiers y est pas ont été arrangées sur le nombre de métiers, on balance cet ouvrage extra.....

Q C'est-à-dire, qu'en lui donnant tant de métiers..

ME BEAUREGARD: laissez donc le témoin expliquer cela lui-même.

15

LE TEMOIN: S'il avait pas ces heures extra, on pourrait lui donner cinq, six ou dix métiers pour prendre la place de ces heures où il est pas...

PAR ME BALLANTYNE:

20

Q Maintenant, le même témoin a dit que lorsqu'un arrangeur de métiers ne travaillait plus comme un arrangeur de métiers, mais comme un poseur de warps, il était payé moins et qu'il y a eu une diminution dans le salaire qu'il gagnait autrefois quand il était arrangeur de métiers; qu'est-ce que vous

25

avez à dire? R C'est-à-dire que nous avons choisi les meilleurs arrangeurs de métiers et nous leur avons donné des sections alors que les poseurs de warps qui étaient pas aussi compétents ont été diminués de deux sous de l'heure.

30

Q Vous avez fait cela quand le système de travail a été changé? R Oui, monsieur.





Q Maintenant, il y a un autre témoin, qui s'appelle M. Pilon, qui a dit dans son témoignage qu'il avait posé 24 warps le lundi matin?

R Ca est pas possible.

5

Q Pourquoi est-ce que cela n'est pas possible?

R Parce qu'un homme du meilleur de sa force peut jamais poser plus que 12 ou 14 warps par jour.

Q Par jour? R Par jour.

10

Q Le même témoin disait que depuis la mort de l'ancien contre-maître, on donnait plus d'aide pour aider à poser les warps?

M. LE COMMISSAIRE: ON ne donnait plus d'aide?

ME BALLANTYNE: J'ai dit deux choses, M. le Commissaire.

15

Q Il disait qu'il avait de l'aide pour poser les warps, que depuis la mort de M. Hill, on leur ôtait les aides, qu'il y a eu un changement depuis la mort de M. Hill? R Non, monsieur.

Q Pas de changement? R Pas du tout.

20

Q Maintenant, le même témoin, M. Pilon, a dit qu'il a été congédié, en 1925, pour deux semaines, sans explication? R Cela est faux.

Q Pourquoi a-t-il été congédié pour deux semaines?

R Parce que nous étions court d'ouvrage.

25

Q Parce que vous étiez court d'ouvrage; est-ce que M. Pilon était seul à être congédié pour deux semaines? R Non, monsieur.

Q Qu'est-ce que vous avez fait, vous, parce qu'il n'y avait pas assez de travail?

30

R Ses compagnons de travail, c'est-à-dire les mêmes arrangeurs de métiers, dans la même chambre, avaient la même chose, le même sort.

Il y a un autre témoin, qui n'est  
pas dans la liste, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.

Il y a un homme qui s'appelle  
John Smith, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.

Il y a un homme qui s'appelle  
John Smith, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.

Il y a un homme qui s'appelle  
John Smith, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.

Il y a un homme qui s'appelle  
John Smith, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.

Il y a un homme qui s'appelle  
John Smith, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.

Il y a un homme qui s'appelle  
John Smith, et qui a dit qu'il  
avait vu le même homme.  
C'est possible.



Q Au même moment? R C'est-à-dire, deux semaines après M. Pilon, nous avions deux semaines à chaque arrangeur de métiers.

Q Parce que vous n'aviez pas assez de travail?

R Parce que nous avions pas assez de travail.

Q Alors, vous avez fait travailler à peu près deux semaines à quelques-uns et deux semaines à d'autres, c'est cela? R Oui, au lieu

de congédier ces arrangeurs de métiers.

Q Au lieu de congédier une partie de ces arrangeurs de métiers à cause du manque de travail?

R Manque de travail?

Q Vous avez donné ..... R Deux semaines.

Q Vous avez donné deux semaines de travail à quelques-uns et puis, deux semaines à d'autres?

R Oui, monsieur.

Q Alors, M. Pilon a dit qu'il a été repris dans le moulin suivant une plainte qu'il a faite à M. Robert. Pourquoi avez-vous donné du travail, encore à M. Pilon après les deux semaines comme vous venez d'expliquer, c'est cela? R Oui.

ME BEAUREGARD: Est-ce M. Pilon ou M. Leduc?

ME BALLANTYNE: M. Pilon.

PAR ME BALLANTYNE:

Q Maintenant, est-ce vrai que l'inspecteur en chef, M. Robert, a fait une inspection de votre moulin, au mois de janvier dernier. Le même témoin, M. Pilon, a prétendu que la compagnie avait été avertie de sa visite. Aviez-vous, vous-même, comme surintendant, aucune connaissance de la visite de M. Robert?

R Non, monsieur.

Q Vous n'avez pas été averti? R Pas du tout.

Q Par qui que ce soit? R Par qui que ce soit.

deux semaines après M. Wilson, nous avions deux

semaines à chaque échange de lettres.

Après que vous m'avez pas écrit de travail.

M. Carter que nous avions pas écrit de travail.

Alors, vous avez fait travailler à peu près

avec lui pendant la semaine de travail.

Quand, c'est tout? M. Wilson, en fait

de travail, c'est tout.

En fait de travailler une partie de ces semaines

deux de lettres à cause du manque de travail.

M. Carter de travail.

Vous avez écrit .... M. Carter pendant.

Vous avez écrit deux semaines de travail à

quelques-uns de M. Carter, deux semaines à d'autres?

M. Carter, pendant.

Alors, M. Wilson a dit qu'il a été repris sans

le moins avant une plainte qu'il a faite à M.

M. Carter, pendant la semaine de travail.

M. Wilson après les deux semaines comme vous venez

d'expliquer, c'est tout? M. Carter.

M. Carter: Est-ce M. Wilson ou M. Carter?

M. Carter, M. Wilson.

M. Carter pendant.

M. Carter, est-ce vrai que l'inspecteur en chef

M. Carter, a fait une inspection de votre maison.

au mois de janvier dernier. Le même mois, M. Wilson

a prétendu que la compagnie avait été avisée de sa

visite, pendant la semaine de travail.

Quand est-ce que vous avez fait de la visite de M. Carter?

M. Carter, pendant.

M. Carter: Vous avez été avisés? M. Carter tout.

M. Carter: Vous avez été avisés? M. Carter tout.



Q Ou en aucune manière?

R Ou en aucune

manière.

Q Maintenant, le témoin prétendait que vous avez dû être averti parce qu'on a fait un nettoyage spécial dans le département?

5

R C'est faux.

CONTRE-INTERROGE PAR ME BEAUREGARD:

Q Qu'est-ce que c'est qui est faux, que vous aviez fait un nettoyage spécial?

R J'ai dit d'avoir nettoyé la chambre, et nous avons rien fait.

10

Q Qu'est-ce qui est vrai si vous n'avez pas nettoyé?

R Oui.

Q Qu'est-ce qui est faux si vous avez nettoyé?

R J'ai dit que nous avons rien nettoyé.

Q Alors, vous n'avez pas nettoyé?

15

R Nous avons pas nettoyé.

Q Pourquoi n'avez-vous pas nettoyé?

R Parce qu'on avait pas eu d'ordres.

Q A quel temps parlez-vous: "On a pas nettoyé"?

R C'est vous qui demandez.

20

Q C'est vous qui déposez, je vous demande si c'est vrai ou faux?

R J'ai dit qu'on avait pas nettoyé, vous dites qu'on a pas cleané.

Q C'est comme cela que vous rendez témoignage.

Vous avez répondu pour faire plaisir à M. Ballantyne, à toutes les questions qu'il vous a posées?

25

R Si vous me dites.....

Q Je vous ai demandé une question bien simple.

Je vous ai demandé qu'est-ce qui était vrai, si vous aviez nettoyé spécialement ou si vous n'aviez pas nettoyé, c'est tout ce que je vous ai demandé. Ré-

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pondez à ma question. Oubliez la petite querelle que nous venons d'avoir. Vous avez répondu d'un ton bien grave, à M. Ballantyne, en scandant vos mots. Qu'est-ce qui est faux, d'avoir fait un nettoyage spécial?

R D'avoir dit qu'on a fait un nettoyage spécial.

10

ME BALLANTYNE: La question à laquelle il a répondu que c'était faux est que si ce nettoyage a été fait exprès pour la visite de M. Robert, l'inspecteur.

LE TEMOIN: J'ai répondu que c'était faux.

ME BALLANTYNE: J'ai dit que le témoin Pilon a dit cela, il a répondu que c'était faux.

ME BEAUREGARD:

15

Qu'est qui est faux, est le nettoyage ou le nettoyage spécial?

R Il y a pas eu de nettoyage spécial.

Q Il n'y a pas eu de nettoyage, ni spécial ni autrement?

R Non, monsieur.

Q Il n'y a pas eu de nettoyage?

R Non, monsieur.

20

Q À quel temps de la semaine réferez-vous et à quelle semaine réferez-vous?

R Dans le temps où nous avons fait ce nettoyage.

Q Cela se rapporte à quel temps que vous n'avez pas fait ce nettoyage. C'est de cette façon-là que vous pouvez répondre le mieux.

25

R C'est la manière que je peux répondre le mieux.

Je vous ai entendu dire, à plusieurs reprises; "Nous étions à court d'ouvrage", qu'est-ce que c'est "Nous"?

R Les tisserands, je suppose, dans la weave-room.

30

Q Quand vous dites: "Nous étions à court d'ouvrage,

There is no suggestion of the fact that the

...and the ...

es lors ce voyage. Je suis allé

Je vous ai entendu dire, à plusieurs reprises;

There is no "one-size-fits-all" solution to this problem.



5559

Meury

que devons-nous comprendre par les mots: "Nous"?

R Si vous voulez m'expliquer dans quelle phrase j'ai dit cela?

5 M. Ballantyne vous a demandé pourquoi M. Pilon avait été congédié et vous avez répondu par les mots suivants, vous avez dit qu'il avait été laissé de côté: "Parce que nous étions à court d'ouvrage". Qui est-ce que c'est, cela?

10 A Si vous voulez bien référer dans quelle phrase j'ai dit ça?

A En parlant de M. Pilon: "Nous étions à court d'ouvrage", qu'est-ce que cela veut dire?

R Les arrangeurs de métiers.

A Nous, cela veut dire les arrangeurs de métiers?

15 A Oui, monsieur.

A Cela veut dire que les arrangeurs de métiers étaient à court d'ouvrage? R Oui, monsieur.

A Est-ce que cela veut dire la boutique, les patrons? R Quand on dit: "Nous", cela veut dire les weavers, les arrangeurs de métiers.

20 A Vous êtes gérant de combien de départements?

R Treize départements?

A Combien d'employés? R Autour de 700.

A Depuis combien de temps avez-vous cette fonction-là? R Trois ans.

25 A Que faisiez-vous avant? R Bossix des weavers.

A Boss de votre département? R Oui, monsieur.

A A quelle date? R Mule cotton.

A Dans quelle partie de la boutique?

30 A La Gault.

A Quelle est votre attitude vis-à-vis l'Association?

1907

1907

THE CHARTERED ACCOUNTANTS OF CANADA  
111-113 BAYVIEW AVE. TORONTO, ONT.

1907

M. Rost Brydie vous a demandé, veuillez le lui dire.

avait été corrigé et vous avez répondu par les

mots suivants, vous avez dit qu'il avait été fait

de ce côté: "Parce que nous étions à court d'ouvriers"

"oui, oui, c'est ça, c'est ça."

"Si vous voulez bien m'écrire dans quelle mesure

1907

"Je pensais de la même façon: "Nous étions à court

d'ouvriers, c'est tout ce que j'ai pu dire."

Les renseignements de l'industrie.

Donc, cela veut dire les renseignements de l'industrie

"oui, monsieur."

Cela veut dire que les renseignements de l'industrie

étaient à court d'ouvriers? M. Oui, monsieur."

"Mais ce que cela veut dire la justice, les par-

trons? M. Quand on dit: "non", cela veut

dire les ouvriers, les étrangers de l'industrie."

Vous êtes gâté de combien de dépense?

Trois dépenses?

"Combien d'employés? M. Environ de 700."

Donc, vous êtes gâté de combien de dépense?

Trois ans. R. Trois ans."

"Que faites-vous ensuite? M. Rost Brydie vous a demandé."

vers."

Donc de votre département? M. Oui, monsieur."

A quelle date? M. A la fin de l'année."

Dans quelle partie de la province? M. Dans la partie

la partie."

"Quelle est votre attitude vis-à-vis l'Association?"



des ouvriers. Êtes-vous adverse à l'Association  
à l'Association Ouvrière, ou êtes-vous adverse à  
ce que les ouvriers s'organisent en organisation  
pour traiter avec les patrons?

5

A Je suis ni contre ni pour, ça me regarde pas  
du tout.

Q Ni contre, ni pour? R Ca m'inté-  
resse pas.

10

Q Dites-vous que c'est parce que cela ne vous  
intéresse pas, vous, comme surintendant ou si ce  
n'est pas de votre domaine? R C'est pas de  
mon domaine.

15

Q Alors, les employés qui prétendent que les  
ouvriers étaient renvoyés parce qu'ils faisaient  
partie de l'Union, qui occupaient des postes impor-  
tants dans une espèce d'union, n'ont pas été renvoyés  
pour cette raison-là, d'après vous?

R Oui, monsieur, ils ont pas été renvoyés pour  
cette raison.

20

Q Saviez-vous qu'il faisait partie de l'Union?

R Si vous voulez référer les noms?

Q Je parle de M. Leroux? R Non, monsieur.

Q Vous ne saviez pas qu'il faisait partie de l'U-  
nion? R Dans le premier emploi que nous  
lui avons donné, je le savais pas.

25

Q A quelle date référez-vous, dans le premier  
emploi? R 1934.

Q Est-ce la première fois qu'il a travaillé à  
l'usine, 1934? R Non, monsieur.

Q Ce n'est pas la première fois? Non.

Q La fois avant? R Oui.

30

Q Vous saviez qu'il faisait partie de l'Union?

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R Non, monsieur.

Q Vous jurez cela positivement?

R Oui, monsieur.

Q M. Leduc?

R M. Le duo, je le savais qu'il faisait partie de l'Union.

Q Ce n'est pas vous qui l'avez renvoyé, M. Leduc, ou est-ce vous?

R Oui, sous mes ordres.

Q Par qui a-t-il été renvoyé? R M. Samson.

Q A l'occasion de quoi l'avez-vous renvoyé?

R M. Leduc avait des intérêts spéciaux, je crois, personnels, il perdait beaucoup de temps, c'est pour cette raison-là que nous l'avons congédié.

Q Savez-vous qu'elle était la nature de cet intérêt personnel? R Non, monsieur.

Q Savez-vous avec qui il traitait cet intérêt personnel? R Avec différents employés.

Q Dans divers départements? R Oui, monsieur.

Q Est-ce que son travail le conduisait dans divers départements, M. Leduc? R Non, monsieur.

Q Il n'avait qu'un département où il devait travailler? R Oui, monsieur.

Q Et, quand il était ailleurs, il l'était sans permission? R Oui, monsieur.

Q C'est par ce qu'il allait parler aux ouvriers que vous l'avez renvoyé? R Oui, monsieur.

Q Combien de fois l'avez-vous averti?

R Pas une fois.

Q Vous avez dit, tantôt, que les tisserands, vous leur avez enlevé l'ouvrage pesant et difficile, vous avez dit cela? R Oui, monsieur.

Q Qu'est-ce qu'il y a de difficile dans l'ouvrage





5562

Meury

que vous leur avez enlevé? R. Ôter les  
cuts, ôter les pièces.

Q. Toujours la même chose? R. Toujours la  
même chose?

Q. C'est pa reil? R. Oui.

Q. C'est dans le pesant ou le difficile, cela?

R. C'est dans le pesant.

Q. Y a-t-il autre chose dans le pesant?

R. Enlever des boîtes de filling.

Q. Ensuite, y-a-t-il autre chose dans le pesant?

R. Dans le pesant, c'est tout.

Q. Dans le difficile, maintenant?

R. Démoncher les manques, cleaner, nettoyer les  
machines, balayer.

Q. C'est difficile, cela? R. Oui, sur-  
tout quand on est tisserand.

Q. C'est difficile? R. Très diffi-  
cile, ils ne pouvaient pas cleaner et tisser en  
même temps.

Q. Autrement dit, cela suspendait le travail?

R. Oui, monsieur.

Q. C'est pas difficile, seulement on ne peut pas  
tisser et faire ces choses-là?

R. C'est difficile par le fait que c'est impossi-  
ble de faire les deux.

Q. C'est difficile, non pas parce que c'est impos-  
sible de le faire, mais parce que cela suspendait  
le travail? R. Oui, monsieur.

Q. Vous ne dites pas que c'est difficile pa rce  
que ce sont d s travaux en soi plus difficiles que  
tisser? R. Non, monsieur.

Q. C'est difficile parce que ça interrompait le  
tissage? R. Oui, monsieur.

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Q C'est cela que vous vouliez dire, on ne pouvait pas nettoyer sans interrompre le tissage?

R Oui, monsieur.

Q Maintenant, vous nettoyez sans interruption?

R Oui, monsieur.

Q Pourquoi le tisserand ne pouvait-il pas travailler sans interrompre son,.....

R Par le fait qu'il ne pouvait pas tisser quand il nettoyait le métier.

Q Sur 36 machines, cela ne peut pas se passer comme cela? R Non, monsieur.

Q Vous admettez qu'un tisserand ne peut pas être sur 36 métiers à la fois? R Oui, monsieur.

Q Pendant qu'il travaille sur une machine, une autre machine peut être arrêtée? R Oui, monsieur.

Q Ce qu'il fait que des brins peuvent se casser?

R Oui, monsieur.

Q Les métiers qui restent arrêtés ne repartiront pas tant que le tisserand ne s'occupera pas d'eux?

R Oui, monsieur.

Q Cela n'est pas impossible que cela retarde son ouvrage? R Oui, monsieur.

Q Dans le temps où il avait plusieurs occupations qui retardaient son ouvrage, le tisserand avait beaucoup moins de métiers? R Oui, monsieur.

Q Pendant qu'il nettoyait, il était seul sur les machines sur lesquelles il nettoyait, pendant qu'il nettoyait, il ne travaillait pas?

R Non, monsieur.

Q Il était payé plus cher de la nuit pour les métiers qu'il travaillait? R Je ne crois pas.

Q Est-il vrai que le tisserand qui avait moins de métiers, dans l'ensemble retirait un plus fort

1911

Edwards

the following information is being

• 1957-1958, 1959

-and say it's very, on increase of interest

1910-11-11

1. Cella in cui può essere possibile che c'è un altro...

II. Le rôle de la loi

de l'ensemble des renseignements en plus fort



Q. Salaire, c'est-il vrai? R. Je pourrais pas dire.

Q. Vous ne savez pas? R. Non.

Q. L'ouvrage que vous avez enlevé aux tisserands, c'est l'ouvrage des nettoyeurs? R. Oui, monsieur.

Q. Quel salaire retirent-ils? R. 23 cents de l'heure.

Q. Le salaire fixe, c'est cela? R. Oui, monsieur.

Q. Ceux qui défond le mauvais coton, quel est leur nom comme employés? R. Démancheurs de manques.

Q. Quel salaire retirent-ils ceux-là?

R. 27 cents de l'heure, nous varions, de 24 cents à 27 cents de l'heure.

Q. Maintenant, les poseurs de smashes, quel salaire ont-ils? R. Les poseurs de smashes, nous avons 27 et 38 cents de l'heure.

Q. Les balayeurs? R. 23 cents de l'heure.

Q. Font-ils rien que cela, les balayeurs, les nettoyeurs? R. Oui, monsieur.

Q. Ils ne font rien que cela? R. Oui, monsieur.

Q. Les doffers, combien ont-ils de l'heure?

R. 17 et 18 cents de l'heure.

Q. Sont-ils à l'heure, d'abord? R. Oui, monsieur, vous parlez des battery hands?

Q. Ceux qui transportent les boîtes, combien ont-ils? R. 20 cents de l'heure.

Q. Ce n'est pas difficile, cela? R. Non.

Q. Les battery hands, combien ont-ils de l'heure?

R. 17 et 18 cents de l'heure.

Q. Dites-vous que tous ces gens-là, à part les tisserands, sont à l'heure, il n'y a rien que les tis-

12501

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salaise, o'est-il vrai?

dire.

Vous ne savez pas?

R. Non.

o'est l'ouvrage des baptiseurs?

R. Oui, monsieur.

Quel salaire retirent-ils?

R. 23 cents

de l'heure.

Le salaire fixe, c'est cela?

R. Oui, monsieur.

Ceux qui défond le mauvais coton, quel est

de salaire.

27 cents de l'heure, nous verrons, de 24 cents

à 27 cents de l'heure.

Enfin, les hommes de machine, quel sa-

laire ont-ils? R. Les hommes de machine,

nous avons 27 et 28 cents de l'heure.

Les baptiseurs?

R. 25 cents de l'heure.

Font-ils rien que cela, les baptiseurs, les

missionnaires?

Ils ne font rien que cela? R. Oui, monsieur.

Les docteurs, combien ont-ils de l'heure?

R. 17 et 18 cents de l'heure.

Sont-ils à l'heure, d'accord?

R. Oui, non-

rien, vous parlez des battery bands?

Ceux qui transportent les boîtes, combien ont-

ils? R. 20 cents de l'heure.

Ce n'est pas difficile, cela? R. Non.

Les battery bands, combien ont-ils de l'heure?

R. 17 et 18 cents de l'heure.

Enfin, sont à l'heure, il n'y a rien que les tis-



serands, dans ce département-là, qui sont à la pièce?

R Oui, monsieur.

Q C'est votre déclaration? R Oui, monsieur.

5

Q C'est difficile, ces fonctions-là, dont vous venez de parler, que vous avez enlevées aux tisserands pour les donner à des spécialistes?

R Oui, monsieur.

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Q Quel est le plus grand nombre de machines d'un tisserandx, à l'heure actuelle? R Nous avons jusqu'à 90 métiers.

Q Sur quelle sorte de travail? R Du coton claire, comme on appelle.

Q 90 métiers? R Oui.

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Q Sur lesquels métiers le tisserand ne fait rien autre chose que surveiller son vil?

R Oui, monsieur.

Q Que fait-il à part de surveiller son fil?

R Rien autre chose.

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Q Trouvez-vous que c'est plus facile de faire cela que les autres métiers dont vous venez de parler?

R Oui, monsieur.

Q Vous trouvez cela plus facile? R Oui, monsieur.

Q Quelle est la moyenne du salaire des tisserands?

R 19 et 20 cents par semaine.

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Q A combien à l'heure? R \$0.3636

Q Alors, le tisserand aurait 36 cents de l'heure pour faire un ouvrage plus facile et les balayeurs faisant un ouvrage plus difficile ne reçoivent une rémunération moindre?

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MR BALLANTYNE: Je m'objecte à cela. M. Beauregard dit que le témoin prétend que l'ouvrage du tisserand est moins dur et moins difficile que les autres travaux.

1944

1944

remarque, dans ce département-là, qui sont à la place  
R. Oui, monsieur.

Il y a une autre remarque.

Q. C'est difficile, ces fonctions-là, dont vous  
venez de parler, que vous avez enlevées aux tiss-  
mands pour les donner à des spécialistes?

R. Oui, monsieur.

Q. Quel est le plus grand nombre de machines d'un  
tisserand, à l'heure actuelle?  
R. Jusqu'à 30 machines.

Q. Par quelle sorte de travail?  
R. Du coton  
d'ailleurs, comme on appelle.

Q. En fait, il y a une autre

Q. Sur laquelle maître le tissand ne fait rien  
autre chose que surveiller son fil?

R. Oui, monsieur.

Q. Que fait-il à part de surveiller son fil?

R. Rien autre chose.

Q. Trouvez-vous que c'est plus facile de faire cela  
que les autres métiers dont vous venez de parler?

R. Oui, monsieur.

Q. Vous trouvez cela plus facile? R. Oui, monsieur.

Q. Quelle est la moyenne du salaire des tissand?

R. Il est 30 cents par semaine.

Q. Comment le tissand est-il payé?

Q. Alors, le tissand surveille le fil de l'our  
pour faire un ouvrage plus facile et les tissand  
travaillent un ouvrage plus difficile ne reçoivent que

récompensation moindre?

Q. C'est-à-dire qu'ils sont payés à la semaine?

Q. Dit que le tissand prétend que l'ouvrage est plus

travaux est moins dur et plus difficile que les autres

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M. LE COMMISSAIRE: Moins difficile et moins pesant.

ME BALLANTYNE: Moins difficile que le travail des nettoyeurs, des poseurs et des autres personnes. Le témoin a dit que ce genre de travail n'était pas plus difficile par lui-même, mais combiné avec un autre travail.....

ME BEAUREGARD: Le témoin a dit....

ME BALLANTYNE: Il a dit que le travail du tisserand était plus pesant et plus difficile dans le temps qu'il l'est maintenant.

LE TEMOIN: J'ai dit qu'il était qu'il était plus aisé pour le tisserand de la manière qu'il tisse aujourd'hui qu'autrefois, mais qu'il y avait des gens qui faisaient la grosse ouvrage.

M. LE COMMISSAIRE: Le travail du tisserand, c'est un travail expert, n'est-ce pas, c'est un métier qu'il faut apprendre?

LE TEMOIN: Oui.

Q. Qui, par conséquent, est plus facile que de nettoyer, enlever des boîtes?

LE TEMOIN: Il n'y a pas d'apprentissage à faire, n'importe qui, n'importe quelle personne peut faire ce travail-là.

PAR ME BEAUREGARD:

Q. Est-ce difficile parce que c'est lourd?

R. Oui, monsieur.

Q. C'est difficile pour une jeune fille?

R. Oui, monsieur.

Q. Ce n'est pas difficile pour un homme?

R. Oui, monsieur.

100-100-100

100-100-100

M. de la Cour: Nous allons à la Cour.

M. de la Cour: Nous allons à la Cour.

notamment, des points de vue de la Cour.

Le demandeur a dit que sa Cour de Justice a dit:

pas plus difficile que l'autre, mais compliqué.

un autre travail.

Le demandeur: Je pense à cela.

M. de la Cour: Il a dit que la Cour de Justice a dit:

pas plus difficile que l'autre, mais compliqué.

Le demandeur: Je pense à cela.

M. de la Cour: Il a dit que la Cour de Justice a dit:

pas plus difficile que l'autre, mais compliqué.

Le demandeur: Je pense à cela.

M. de la Cour: Il a dit que la Cour de Justice a dit:

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M. de la Cour: Il a dit que la Cour de Justice a dit:

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Le demandeur: Je pense à cela.

M. de la Cour: Il a dit que la Cour de Justice a dit:

pas plus difficile que l'autre, mais compliqué.

Le demandeur: Je pense à cela.

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R Lever une boîte de 25 livres, ôter une pièce de 40 livres, c'est très difficile pour une jeune fille ou une femme.

5 Q Tout ce que vous avez dit s'applique aux jeunes filles? R Pas nécessairement.

Q Comment expliquez-vous que ce soit difficile pour un homme? R Il y a des hommes qui sont de faible constitution, c'est pourquoi c'est difficile.

10 M. LE COMMISSAIRE: On a enlevé au tisserand tout le travail accessoire?

LE TEMOIN: Oui, monsieur.

M. LE COMMISSAIRE: Maintenant, il ne fait que tisser?

LE TEMOIN: Oui, monsieur, il ne fait que tisser.

15 PAR ME BEAUREGARD:

Q Autrefois, il n'avait que 12 machines sous son contrôle? R Oui, monsieur.

Q Et, aujourd'hui il peut en avoir jusqu'à 80?

R Oui, monsieur.

20 M. LE COMMISSAIRE: Est-ce c'est le même type de machines? R

LE TEMOIN: Non, monsieur.

M. LE COMMISSAIRE: Est-ce que les machines nouvelles sont plus automatiques que les anciennes?

25 LE TEMOIN: Plus combinées que les anciennes à faire fonctionner, que les anciens métiers qui étaient pas automatiques.

PAR ME BEAUREGARD:

30 Q Qu'est-ce que vous appelez anciens, nommez-les par leur nom? R Les métiers qui étaient pas automatiques.

En 1931, quand le changement a commencé, c'était

R. J'avez une boîte de 25 livres, 60 et une 150  
 de 40 livres, c'est très difficile pour une jeune  
 fille en une femme.  
 R. Tout ce que vous avez dit s'applique aux jeunes  
 filles?  
 R. Les plus jeunes.  
 R. Comment expliquez-vous que ce soit difficile  
 pour un homme?  
 R. Il y a des hommes  
 qui sont de faible constitution, c'est pourquoi  
 c'est difficile.  
 M. LE COMMISSAIRE: On a parlé au tisserand tout  
 le travail nécessaire?  
 LE TISSERAND: Oui, monsieur.  
 M. LE COMMISSAIRE: Maintenant, il ne fait que tisser.  
 LE TISSERAND: Oui, monsieur, il ne fait que tisser.  
 PAR LE PRÉSIDENT:  
 R. Autrefois, il n'avait que 12 machines sous son  
 contrôle?  
 R. Oui, monsieur.  
 R. Et, maintenant il peut en avoir jusqu'à 30?  
 R. Oui, monsieur.  
 M. LE COMMISSAIRE: Est-ce que c'est le même type de ma-  
 chines?  
 R.  
 LE TISSERAND: Non, monsieur.  
 M. LE COMMISSAIRE: Est-ce que les machines nouvelles  
 sont plus automatisées que les anciennes?  
 LE TISSERAND: Les machines que les anciennes à faire  
 des étoffes, les machines nouvelles qui font des  
 étoffes.  
 M. LE COMMISSAIRE: Les machines nouvelles, elles font  
 des étoffes?  
 R. Les machines qui font des étoffes.  
 M. LE COMMISSAIRE: Les machines nouvelles, elles font  
 des étoffes.  
 R. Les machines qui font des étoffes.  
 M. LE COMMISSAIRE: Les machines nouvelles, elles font  
 des étoffes.

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des métiers automatiques qu'il y avait là?

R Oui, mais ils ne fonctionnaient pas automatique.

Q Expliquez-vous? Comment est-ce un métier automatique ne fonctionne pas automatique?

R Vous pouvez avoir un métier avec un battery hand, du moment que vous pouvez l'arrêter et le changer à la main, alors le métier est plus automatique.

Q Quels étaient les métiers quand les changements ont commencé? R Cette façon-là, c'est pas automatique.

Q Par travail automatique, vous voulez dire que la navette se change par elle-même?

R Oui, monsieur.

Q C'est cela que vous voulez dire?

R Oui, monsieur.

Q Vous avez des inspecteurs spéciaux dans le département du tissage? R Vous voulez dire qu'elle sorte d'inspection?

Q Des inspecteurs qui surveillent les tisserands continuellement toute la journée?

R Nous avons des contre-mâîtres.

R Je ne parle pas, dans le moment, d'un contre-maitre, Une personne qui est sensée dire au tisserant, armée d'un cahier de notes, qui tient compte de tous ses pas, de tous ses gestes de tous les moments de la journée?

R Vous voulez dire qui est tout partout.....

Q Quelle sorte de surveillants avez-vous, à part de vous, dans ce département-là?

R Des contre-mâîtres.

Q Est-ce qu'il n'y a pas des personnes qui sur-

des mâtins automotrices qu'il y avait là?

R. Oui, mais ils ne fonctionnaient pas automatiquement.

Q. Pourquoi ne fonctionnaient-ils pas automatiquement?

R. Parce qu'ils ne fonctionnaient pas automatiquement.

Q. Vous pouvez avoir un moteur avec un battery

band, ça marche, que vous pouvez l'arrêter et le

changer à la main, alors le moteur est, les automa-

tiques.

Q. Quels étaient les moteurs dans les changements

automatiques.

R. Par travail à l'automatique, vous voyez bien que

la navette se change par elle-même.

Q. Pourquoi?

R. C'est cela que vous voyez bien.

Q. Oui, monsieur.

Q. Vous avez des instructions spéciales dans le

rapport de l'inspecteur.

Q. Oui, monsieur.

Q. Des instructions qui surviennent les changements

continuellement toute la journée.

R. Nous avons des contre-maîtres.

Q. Et ne parle pas, dans le moment, d'un contre-

maître, une personne qui est capable d'être en vic-

rant, et d'un certain de noter, qui tient compte

de tout ce qui se passe, et tout ce qui se passe

pendant la journée.

Q. Vous voyez bien que tout ça...

Q. Quelle sorte de surveillance avez-vous, à part

ceux-ci, dans ce département-là.

R. Des contre-maîtres.

Q. Et il n'y a pas de personnes qui sur-



5569

Meury

veillent, des statisticiens, qui inspectent les tisserands? R Non, pas les tisserands.

Q Qui inspectent l'ouvrage? R Oui, monsieur.

Q Quel est l'objet de ces hommes, que vous ne laissez appeler des statisticiens, comment les appelez-vous dans votre métiers?

R Inspecteurs.

Q Un inspecteur qui est là, qui inspecte l'ouvrage; il se tient constamment à côté du tisserand pendant l'ouvrage? R Oui, monsieur.

Q Constamment? R Oui, monsieur.

Q Pendant un certain temps c'était comme cela, maintenant, ce n'est pas comme cela?

R Non, monsieur.

Q Comment est-ce que cela se passe?

R Quand nous avons du coton où il y a difficulté, nous envoyons notre homme pour des tests, des inspections, pour trouver des défauts et y remédier.

Q Dites-vous que cette inspection-là n'est pas l'ouvrage spécial du tisserand?

R Non, monsieur.

Q Cela ne regarde pas le tisserand?

R Non, monsieur.

Q Que fait-il? R Il regarde et

l'inspecteur prend des notes et nous en fait un rapport.

Q Combien de temps le laissez-vous sur le même homme, surveiller le même homme?

R Ça dépend de l'ouvrage dont il doit faire.

Q Voulez-vous dire de l'ouvrage sur le métier à tisser? R L'inspecteur watche, surveille.

Q Voudrez-vous m'apporter un rapport d'inspection?

R Oui, monsieur.

[illegible]

Belser-Vone kann nicht helfen?

Il se tient constamment à côté du blessé pendant

Pendant un certain temps c'était comme cela.

Январь, 1901 г.

tion, leur trouver des âtants et y remédier.

1'ouvrage spécial du tissage?

[I'm not sure if I should be asking you to be a part of the team]

Comptroller of the Treasury is authorized to deliver to the

It is dependent on the amount of time spent in the field.

Vous-avez bien de l'ouvrage sur le métier à

... ..

[illegible]



Q Combien en avez-vous d'inspecteurs comme cela?  
dans votre département? R Un.

Q Un seul? R Oui.

Q Voudrez-vous nous apporter un rapport d'inspec-  
tion pour le mois d'avril, 1936, un rapport de votre  
inspecteur? R Je pourrais pas vous en  
donner un par le fait qu'il y a pas eu d'inspection  
depuis cinq ou six semaines, je pourrais vous donner  
le dernier rapport?

R Un mois d'inspection.

Q Nous avons pas un mois d'inspection, nous avons  
une semaine, au plus.

Q C'est-à-dire, sur le même travail, l'inspecteur  
ne travaille rine qu'une semaine?

R Oui, monsieur.

Q Quel est le nom de votre inspecteur?

R M. Harrisson.

Q Quel est son premier nom? R Je peux pas  
vous dire.

Q Depuis combien de temps est-il inspecteur?

R Alentour de 18 mois.

Q Depuis 18 mois? R A peu près 18 mois.

Q Il fait ce même travail depuis 18 mois?

R Oui, monsieur.

Q Dans combien de département?

R Dans le département du tissage.

Q Est-ce que ce rapport comporte des remarques sur  
l'ouvrier en même temps que sur le coton?

R Non, monsieur.

Q Aucune remarque sur l'ouvrier? R Non, monsieur

Q Toute le rapport est sur le coton?

R Sur la machine et sur le coton.

1944

Combien en avez-vous d'inspecteurs comme ça?

Un seul.

Vous l'avez vu dans le rapport d'inspection?

Non, le mois d'avril, 1958, un rapport de votre

inspecteur, le rapport de votre

inspecteur, un peu de fait qu'il y a pas eu d'inspection

depuis deux ou six semaines, je pourrais vous donner

le dernier rapport?

Un mois d'inspection.

Un peu avant par un mois d'inspection, nous avons

une semaine, en fait.

C'est-à-dire, sur le même intervalle, l'inspecteur

ne travaille que deux semaines.

Oui, maintenant.

Quel est le nom de votre inspecteur?

M. Harrison.

Quel est son premier nom?

Vous dire.

Depuis combien de temps est-il inspecteur?

Autour de 18 mois.

Depuis 18 mois?

Il faut se rendre compte depuis 18 mois?

Oui, maintenant.

Quel est le département?

Mais le département de l'inspecteur.

Est-ce que ce rapport concerne les renseignements sur

l'ouvrier en même temps que sur le patron?

Oui, maintenant.

Tout le rapport est sur le patron.

Sur le patron et sur le patron.



Sur la machine et sur le coton? R : Oui.

Est-ce qu'on peut voir le nom de l'ouvrier sur le rapport, est-ce qu'on peut identifier le nom de l'ouvrier? R : Non, monsieur.

Le rapport ne comporte pas....

Il ne comporte pas de nom de l'ouvrier, seulement le coton.

Est-ce que c'est un rapport journalier ou hebdomadaire? R : Un rapport

spécial.

Un rapport spécial, est-ce que ces rapports-là sont numérotés? R : Non, monsieur.

Quelle est l'indication du rapport?

Il se réfère sur une sorte de coton que nous avons et se trouve tel que je vous ai mentionné.

C'est la raison pour laquelle on envoie l'inspecteur? R : Oui, monsieur.

Ce rapport est intitulé comment?

Test sur certaines sortes de coton.

Une inspection des métiers qui tissent le coton-là? R : Oui, monsieur.

Il passe sa journée avec l'ouvrier?

Oui, monsieur.

Il regarde le coton sur la machine où se trouve l'ouvrier? R : Sur la machine dont il doit faire le test.

Il est chargé de se tenir autour de l'ouvrier?

Sur la machine qui fonctionne où nous l'avons envoyé faire le test.

L'ouvrier travaille, disons sur 14 machines, disons qu'elles sont en mouvement?

Oui, monsieur.

5871

Henry

Q. Now the machine of the 1st of January?  
A. Yes, on the 1st of January the machine was  
in the report, and on the 1st of January it was in  
the report.

Q. The report on the 1st of January?  
A. It is a report on the 1st of January, and on the  
1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.

Q. And on the 1st of January?  
A. Yes, on the 1st of January.



Q L'inspecteur se tient à côté de l'ouvrier et non pas avec n'importe laquelle des machines, se tient à côté de l'ouvrier toute la journée?

5 R Cela dépend de la sorte d'ouvrage; il y a trois sortes de coton dans 24 métiers, s'il doit faire le test sur une certaine sorte de coton, il se tient seulement sur deux ou trois métiers, non sur 24.

Q Est-ce qu'il se tient contre l'ouvrier continuellement? R Alentour du métier.

10 Q Alentour du métier où se trouve l'ouvrier?

R Oui, monsieur.

Q Ce rapport tient-il compte du temps que l'ouvrier met à faire le contrôle des opérations que son travail l'entraîne à faire? R Non, il mentionne pas l'ouvrier.

15 Q Qu'est-ce que mentionne le rapport?

R Le temps perdu pour différents défauts, soit du fil ou de la machine.

Q Le temps perdu, ça veut dire quoi, cela?

10 R Supposons que le métier ne va pas bien et on attend après un arrangeur de métiers, on met sur le rapport.

Q Voulez-vous nous donner ce rapport-là demain?

ME BALLANTYNE: Je ferai de mon mieux; est-ce que vous voulez avoir le même témoin?

25 ME BEAUREGARD:

Q Vous avez parlé des mécaniciens, des arrangeurs de métiers; vous savez qu'on a donné aux arrangeurs de métiers un nombre considérable de métiers à arranger? R Non, je crois pas.

30 Q Combien avant le changement, et quel nombre à peu près? R On varie de 30 à 80 et





quelques métiers.

Q Combien? R Aujourd'hui, on est encore de 30 à 175.

Q Au lieu de 80? R De 30, encore.

Q On part de 30? R On a de 30 à 80, nous avons ~~de~~ 35, 40, 48, 58 .....

Q Maintenant, quels sont .....

R 40, 60, 80, 100, 125, jusqu'à 175.

Q Est-ce que cela retarde le travail des tisseurs quand un arrangeur de métiers a trop de métiers à arranger, est-ce qu'il arrive qu'un grand nombre de métiers à tisser ne peuvent pas travailler parce que l'arrangeur de métiers ne peut pas les arranger?

R Non, le contraire.

Q Expliquez cela? R Le contraire.

Aujourd'hui, un arrangeur de métier n'est pas obligé de faire les grosses ouvrages et poser les warps.

Si vous remarquez dans le témoignage de Filon qu'il est aujourd'hui sur un ancien système vu qu'il disait qu'il avait 24 warps à poser une journée et que ça prenait deux jours pour faire l'ouvrage, ça veut dire que les tisseurs, avant, étaient obligés de perdre deux jours, si les métiers cassaient, pour faire arranger les métiers, parce qu'aujourd'hui les arrangeurs de métiers sont toujours prêts à faire les jobs.

Q Ils peuvent avoir au delà de 100 métiers à arranger? R Les grosses jobs sont plus là.

Q Autrefois, c'était très mal; aujourd'hui, c'est moins mal, c'est cela que vous voulez dire?

R C'est d'avantage, aujourd'hui.

projet de loi.

Le projet de loi, en effet,

concerne la loi de 1871.

La loi de 1871, en effet,

est la loi de 1871.

à 50, 60, 70, 80, 90, 100, 110, 120, 130, 140, 150, 160, 170, 180, 190, 200, 210, 220, 230, 240, 250, 260, 270, 280, 290, 300, 310, 320, 330, 340, 350, 360, 370, 380, 390, 400, 410, 420, 430, 440, 450, 460, 470, 480, 490, 500, 510, 520, 530, 540, 550, 560, 570, 580, 590, 600, 610, 620, 630, 640, 650, 660, 670, 680, 690, 700, 710, 720, 730, 740, 750, 760, 770, 780, 790, 800, 810, 820, 830, 840, 850, 860, 870, 880, 890, 900, 910, 920, 930, 940, 950, 960, 970, 980, 990, 1000.

Le projet de loi, en effet,

est la loi de 1871.

La loi de 1871, en effet,

concerne la loi de 1871.

La loi de 1871, en effet,

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La loi de 1871, en effet,

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Le projet de loi, en effet,

concerne la loi de 1871.

La loi de 1871, en effet,

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La loi de 1871, en effet,

est la loi de 1871.

Le projet de loi, en effet,

concerne la loi de 1871.

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Q Vous voulez dire qu'autrefois, le tisserand pouvait perdre deux jours parce que l'arrangeur de métiers était pris à travailler?

5 ME BALLANTYNE: C'est suivant le témoignage de M. Pilon que vous avez dit cela?

LE TEMOIN: Oui.

PAR ME BEAUREGARD:

Q Aujourd'hui, il se trouve à arranger les métiers parce que ses travaux prennent tant de temps, seulement il a plus de machines à arranger?

10 R Toutes les grosses jobs y sont plus, aujourd'hui il a presque rien à faire, excepté l'ouvrage spécial qui ne commande que quelques minutes à faire.

Q C'est votre version des faits que le travail actuel des arrangeurs de métiers ne prend que quelques minutes?

15 R Oui, monsieur.

Q Vous avez lu le témoignage de M. Pilon?

R Oui, monsieur.

Q Comme question de fait, vous avez lu tous les témoignages des ouvriers?

20 R Oui, monsieur.

Q Vous avez conféré, à ce sujet-là, avec les autorités de la compagnie?

R Pas encore, nous avons lu seulement.

ME BEAUREGARD: J'ai m'aperçois que M. Pilon est un homme mort parce qu'il n'a pas encore vu le gérant?

25 M. LE COMMISSAIRE: M. Pilon ne travaille plus?

LE TEMOIN: Il travaille encore.

M. LE COMMISSAIRE: Sa chance n'a pas changé.

ME BEAUREGARD: C'est pour cela qu'il est un homme mort, parce qu'il n'a pas vu le gérant?

30 M. LE COMMISSAIRE: N'est-ce pas lui qui a produit une liste de plaintes?

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M. RINE: Elle a été produite par l'avocat SaintOnge.

Et le déposant ne dit rien de plus.

M. LE COMMISSAIRE: EST-ce qu'il y a un autre témoin?

5

ME HEWARD: Nous avons plusieurs témoins.

M. LE COMMISSAIRE: Nous allons prendre dix minutes.

ADVENANT TROIS HEURES ET QUARANTES MINUTES, LA SEANCE  
EST AJOURNEE POUR DI MINUTES.

10

ADVENANT TROIS HEURES ET CINQUANTES MINUTES, LA  
SEANCE EST REPRISE.

CLERMONT VILLENEUVE est assermenté.

15

INTERROGE PAR ME BALLANTYNE:

Q Il y a un témoin appelé Victor Charron qui a dit  
qu'il a été congédié le 18 mars, 1936 parce qu'il  
avait demandé une explication dans le changement  
de travail qu'on lui avait demandé de faire. Avez-  
vous connaissance de cette affaire de M. Victor  
Charron et pouvez-vous dire au juge comment il se  
fait que M. Charron a été congédié?

20

R Je n'ai pas congédié M. Victor Charron.

Q Savez-vous les circonstances?

25

R Oui, certainement.

Q Alors, voulez-vous dire au juge les circonstances  
dans lesquelles M. Victor Charron a été congédié.

Vous n'aimez pas le mot: congédié?

ME BEAUREGARD: CELA ne le blesse pas, il a déjà  
entendu parler de cela.

30

ME BALLANTYNE:

Q Pouvez-vous dire comment il est arrivé qu'il a

1947

1947

Il y a des choses que l'on ne peut pas dire.

Il y a des choses que l'on ne peut pas dire.

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Il y a des choses que l'on ne peut pas dire.



laissé son travail?

R

R Le 18 mars, après-midi.

M. LE COMMISSAIRE: Il s'agit de cette année?

LE TEMOIN: Oui, 1936, on a arrêté les machines.

ME BALLANTYNE: J'ai oublié de demander qu'elle  
était ...

M. LE COMMISSAIRE: Sa position.

PAR ME BALLANTYNE:

Q Dites d'abord quelle est votre occupation?

R Contre-maitre.

Q Dans quel département?

R Spinning-room.

Q Et, M. Victor Charron, dont je vous ai parlé,  
était dans le même département?

R Dans le département de la Spinning-room.

Q Quelle sorte de travail faisait-il?

Q Head doffer.

Q Maintenant, voulez-vous dire les circonstances.

R Le 18 mars, dans l'après-midi, on a arrêté des  
machines, ce qu'on appelle des frames. Ils étaient  
trois gangs de doffers, ils avait des frames divisés,  
dans chaque gang....

M. LE COMMISSAIRE: Quoi?

LE TEMOIN: Des gangs de doffers, on a divisé.....

PAR ME BALLANTYNE:

Q M. Charron était head doffer?

R De sa section.

Q Dans une de ces gangs? R Dans une de ces  
gangs. Ensuite de ça, mon deuxième a demandé à  
Victor Charron de doffer pour le reste de l'après-  
midi. Alors .....

Q De coffer comme un doffer et non pas comme





"head doffer"? R Comme doffer,  
pour le reste de l'après-midi. Il a dit au second  
qu'il dofferait pas.

5 M. LE COMMISSAIRE: Votre second à vous, c'est l'as-  
sistant contre-maitre?

LE TROISIÈME: Mon assistant, oui. Ensuite, amené à  
mon bureau, je lui ai dit: "Tu refuses de doffer"?  
Il dit: "Oui, si je suis pas bon pour être "head  
doffer", aujourd'hui, je suis pas bon pour être  
10 "hear doffer" demain".

PAR ME BAILLANTYNE:

Q Est-ce tout ce qu'il a dit?

R Il a blasphémé. Moi, je lui ai dit: "Si tu  
blasphèmes dans mon bureau, tu vas sortir". Le  
lendemain matin, il est venu, je lui ai présenté  
15 son bill, il l'a pris et s'est en allé.

Q Pourquoi n'avez-vous pas présenté son bill  
l'après-midi quand il est venu vous voir?

R Pas dans le moment.

Q Pourquoi avez-vous attendu jusqu'au mardi?

R Parce que dans mon idée, je pensais qu'il me  
redemanderais sa job, j'étais pour lui redonner sa  
20 job.

CONTRE-INTERROGE PAR ME BEAUREGARD:

Q Qu'est-ce que vous appelez: présenter son bill,  
il ne vous devait rien? R Il me devait  
25 rien.

Q Qu'est-ce que vous appelez son bill?

R C'est ni plus ni moins que son papier pour  
avoir son argent.

30 Alors, votre prétention, c'est que cet après-  
midi-là, au lieu d'agir comme "head doffer", on lui





a demandé d'agir comme doffer? R Doffer.

Quelle différence y a-t-il entre le travail de "head doffer" et de doffer?

5 Q Le "head doffer", on appelle ça, <sup>baisse</sup> ~~xixix~~ les frames; puis, ensuite de ça, les autres doffers doffent, c'est la seule chose.

Q Il ne doffe pas? R Le "head Doffer" doffe avec les doffers.

10 Q Qu'est-ce qu'il fait? R C'est lui qui baisse le frame, la machine.

Q Sa prérogative, à lui, c'est d'arrêter la machine? R Arrêter la machine.

est  
Q Quand la machine arrêtée, il doffe comme les autres? R Il doffe comme les autres.

15 Q Vous prétendez que M. Charron a exigé que ça soit lui qui arrête la machine, pareil? R Oui, dans l'après-midi, il a exigé qu'il runne la doffe.

Q C'est son privilège, au "head doffer", d'arrêter le mouvement de la machine? R Oui.

20 Q Quand la machine est arrêtée il fait comme les autres? R Il doffe comme les autres.

M. LE COMMISSAIRE: Est-ce qu'il est payé plus cher?

LE TEMOIN: Oui, est est payé plus cher.

PAR ME BEAUREGARD:

Q Une fraction de sou? R Oui.

25 Q Quelle est la différence? R Il doit avoir 18 ou 19 cents, une cent de différence.

Q Etiez-vous pour lui enlever cette différence?

R Naturellement qu'il aurait été payé comme doffer.

30 Q Lui avez-vous expliqué qu'il perdait un sous de l'heure? R Je lui ai pas expliqué personnellement, c'est une chose qu'il

Je demande à votre commission d'accepter.

Je vous prie d'agréer, Monsieur, l'assurance de ma haute estime.

Veuillez agréer, Monsieur, l'assurance de ma haute estime.

Très respectueusement,

Monsieur le Ministre, j'ai l'honneur de vous adresser ci-joint le rapport que vous m'avez demandé.

Je vous prie d'agréer, Monsieur, l'assurance de ma haute estime.

Je vous prie d'agréer, Monsieur, l'assurance de ma haute estime.

Je vous prie d'agréer, Monsieur, l'assurance de ma haute estime.

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Je vous prie d'agréer, Monsieur, l'assurance de ma haute estime.



savait lui-même.

Q Il savait cela?

R Oui.

Q Vous dites que c'est la raison qu'il a refusé de travailler comme doffer?

5 R Je pense que c'est pour la raison qu'il voulait simplement sortir, loafer, on dit les mots en anglais. C'est pour la raison qu'il voulait sortir.

Q Vous avez cru que son objet était d'avoir un congé?

R Oui.

10 Q D'avoir un congé spécial? R Avoir un congé.

Q C'est pour cela que vous l'avez mis en congé définitif?

R Pardon, c'est lui-même qui s'est mis en congé définitif.

Q C'est lui-même qui a dit: "Je m'en vais"?

15 R Oui, monsieur.

Q Vous avez lu le témoignage de M. Charron?

R Oui, monsieur.

Q Vous avez vu que M. Charron ne s'accorde pas beaucoup avec cela, avec votre version?

20 R Je sais que c'est pas la même chose. J'ai compris qu'il avait pas expliqué la chose telle qu'elle devait l'être.

Q Vous savez que M. Charron nous a dit qu'à un moment donné, on a voulu le mettre à attacher?

R C'est pas ça au juste.

25 Q Qu'est-ce que c'est, cela?

R Après qu'il a fini la doffe il arrête et attache.

Q C'est cela qu'on voulait lui faire faire?

R Oui, monsieur.

Q C'est cela qu'il ne voulait pas faire?

30 R C'est ça qu'il voulait pas faire.

Q Il voulait être doffer? R "Head doffer".





Q "Il m'a changé de job.....

C'est à la page 5031.

..... j'ai demandé pourquoi il me changeait de job. Il dit: "C'est-il toi qui run ici?". J'ai dit: "Non", je veux ravoir ma job". Il dit: "Viens avec moi à l'office, je vais te donner ton ticket."

Q Vous n'étiez pas là?

R Non, je parlais dans mon bureau.

Q Vous ne savez pas si c'est vrai ce qu'il a dit à votre assistant?

"Vous avez demandé des explications pourquoi vous aviez été changé d'ouvrage?

R Oui, monsieur.

Q Vous n'avez pas eu d'explications, vous avez euz votre dernière paye?

R Oui, monsieur.

Q C'est M. Villeneuve qui vous a dit cela?

R C'est M. Gagné qui me l'a dit.

Q M. Gagné vous a dit cela au bureau principal?

R Oui, monsieur.

Q Où est-ce le bureau du département?

R Le bureau du département?

Q Qui est le chef du bureau du département?

R C'est M. Villeneuve.

Q Vous vous êtes trouvé en présence du contre-maitre?

R Oui, monsieur.

William

1917

"If it's enough to be a man, it's enough to be a man."

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5581

Villeneuve

"Q M. Gagné vous a amené à M. Villeneuve  
et, après, vous a mis dehors?

R Oui, monsieur."

5

ME BALLANTYNE: Voulez-vous continuer?

PAR ME BEAUREGARD:

10

Q "Q Aviez-vous été polisson, comment est-  
ce que vous aviez demandé cela quand  
vous avez voulu revoir votre ancien  
ouvrage. Aviez-vous manqué de mani-  
ères, été grossier en demandant à M.  
Gagné pour ravoir vos anciennes bobin-  
es?

R Pan toute.

15

Q Vous n'avez pas cru que vous aviez man-  
qué de politesse?

R Non, monsieur.

Q Qu'est-ce que c'était le nouvel ou-  
vrage donné?

R Je runnais une  
doffe, ils m'avaient mis à attacher.

20

Q Est-ce que c'est plus payant ou moins  
payant?

R La même affaire.

Q Le même salaire?

R Oui, monsieur."

25

Q Vous ne vous accordez pas avec cette version-là,  
évidemment?

R Je peux pas m'ac-  
corder, non plus.

30

Villanova

1913

At the time of the first meeting of the Villanova

of the first meeting of the Villanova

of the first meeting of the Villanova

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5582

FERNANDE HEBERT est assermentée.

INTERROGÉE PAR ME BALLANTYNE:

5 Q Mademoiselle, vous êtes employée à la Montreal  
Cottons, Limited? R Oui, monsieur.

Q Quelle sorte de travail faites-vous?

R Je suis tisseuse.

10 Q Depuis combien de temps êtes-vous tisseuse,  
avec la Montreal Cottons? R Depuis quatorze  
ans.

Q Avez-vous entendu le témoignage qui a été rendu  
par M. Meury? R Oui, monsieur.

15 Q Avez-vous compris les explications qu'il a don-  
nées des changements qui ont été faits dans le sys-  
tème de travail des tisserands? R Oui,  
monsieur.

Q Etes-vous d'accord avec lui sur les différences  
qu'il y a entre les deux systèmes?

R Oui, monsieur.

20 Q Maintenant, vous avez travaillé sous tous les  
deux systèmes? R Oui, monsieur.

Q Comme question de fait, comment trouvez-vous  
votre travail, maintenant, sous le nouveau système,  
en comparaison avec votre travail sur l'ancien sys-  
tème? R Je le trouve moins  
25 morçant par le fait que l'ancien ne forçait pas  
qu'il nous faisait voyager plus.

M. LE COMMISSAIRE: Vous marchiez plus?

LE TEMOIN: On marchait d'avantage.

PAR ME BALLANTYNE:

30 Q Vous marchiez plus avant, vous n'êtes pas

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?

M. le Président, vous êtes allés à la messe  
hier, n'est-ce pas ?



5583

Mlle Hébert

obligée..... c'est moins forçant qu'auparavant?

R Oui, monsieur, moins forçant.

M. LE COMMISSAIRE: Est-ce que vous gagnez autant?

LE TEMOIN: Oui, monsieur.

PAR M. BEAUREGARD: (CONTRE-INTERROGATOIRE):

Q Depuis combien de temps travaillez-vous au moulin?  
R Environ 14 ans.

Q Vous avez commencé au tissage en arrivant là?

R Oui, monsieur.

Q Vous n'avez jamais fait d'autre chose que le tissage?  
R Oui, monsieur.

Q Vous êtes entrée là en 1922, combien de temps avez-vous fait.... combien avez-vous eu de salaire en 1922?  
R Nous sommes à la pièce.

Q Combien avez-vous fait, les premières semaines?

R J'avais huit métiers dans ce temps-là, je faisais environ \$18. \$20. par quinze jours.

Q Vous aviez huit métiers? R Oui, monsieur.

Q Les ouvriers complets avaient 12 métiers?

R Douze métiers.

Q Vous en aviez huit? R Oui, monsieur.

Q Combien de temps est-ce que ça vous a pris pour avoir 12 métiers?

R Pas tout à fait un an.

Q Vous avez attendu, on vous a confié 12 métiers?

R 12 métiers.

Q Combien faisiez-vous par semaine quand vous avez eu 12 métiers?  
R Je faisais environ \$19. \$20 par semaine.

Q Avec 12 métiers? R Oui, monsieur.

Q Vous étiez payée à la out? R Oui, monsieur.

8 JUL 1960

De plus, combien de temps il faut attendre pour avoir un nouveau permis ?



Q Pendant combien de temps a duré ce salaire moyen-  
là, de \$19., \$20. par semaine?

R Le temps que le changement qu'il y eu lieu.

Q Pas de changement? R Pas de changement

5 l'ouvrage en augmentant, les salaires ont resté à  
peu près les mêmes.

Q Est-ce que les salaires ont augmenté ou diminué  
après le changement? R C'est à peu près  
les mêmes salaires.

10 Q Faites-vous encore \$20. par semaine?

R Oui, monsieur.

Q Combien avez-vous eu à votre dernière paye?

R La dernière paye, pour 90 heures, j'ai eu  
\$31.20

15 Q 90 heures, \$31.20?

R 90 heures, \$31.20, nous attendions après l'ou-  
vrage.

Q Ce sont des poseurs de warps qui vous retardaient?

R Pas plus qu'avant.

Q Les "loom-fixers" qui vous retardaient?

20 R Je trouve pas ça.

Q Est-ce qu'il arrive qu'il y a plusieurs moulins  
qui ne font rien parce qu'il y a moins d'arrangeurs?

R Ca dépend de l'ouvrage que nous avons; des fois,  
l'ouvrage est plus grosse.

25 Q Est-ce que vous êtes obligée d'attendre parce  
qu'il y a moins d'arrangeurs de moulins, c'est ça?

R Oui, monsieur.

Q C'est cela qui arrive? R Oui, monsieur.

Q Vos arrangeurs de moulins sont occupés ailleurs?

R Oui, monsieur.

30 Q De sorte que c'est moins forçant parce que vous





5585

Mlle Hébert

soulevez des fardeaux moins pesants?

R Oui, monsieur.

Q Vous avez moins de choses pesantes à remuer?

R Oui, monsieur, nous marchons, c'est tout ce que nous avons à faire.

Q Combien de machines surveillez-vous?

R 44 métiers.

Q Vous avez 44 métiers au lieu d'en avoir huit ou douze?

R Oui, monsieur.

Q Quel est le plus gros salaire que vous avez jamais fait?

R C'est \$49. que j'ai faits l'année dernière.

Q Aviez-vous du temps supplémentaire?

R 110 heures, deux semaines.

Q Pouvez-vous dire vers quel temps c'est, cela.

On est au moins de juin, 1936?

R Je peux pas vous le dire, ça fait à peu près un an, un an et demi, peut-être.

Q Vous aviez du bien bon coton cette fois-là?

R J'attendais pas autant après l'ouvrage, là, ça fait longtemps qu'on attend après des warps parce qu'il y a pas d'ordres, on nous a dit qu'il y a pas d'ordres.

Q Alors, cette grosse paye de 110 heures, vous avez eu .....

R \$49, et quelques sous, je m'en rappelle pas.

Avez-vous quelqu'un de vos parents qui travaille à la filature, mademoiselle?

R Mon père.

Q Dans quel département est-il?

R Dans une weave-room, lui aussi, c'est un arrangeur de métier.

1. Les machines à vapeur sont les machines les plus répandues.

2. Elles sont employées dans toutes les industries.

3. Elles sont employées dans les usines, les mines, les transports, etc.

4. Elles sont employées dans les usines, les mines, les transports, etc.

5. Elles sont employées dans les usines, les mines, les transports, etc.

6. Elles sont employées dans les usines, les mines, les transports, etc.

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11. Elles sont employées dans les usines, les mines, les transports, etc.

12. Elles sont employées dans les usines, les mines, les transports, etc.

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31. Elles sont employées dans les usines, les mines, les transports, etc.



5586

Mlle Hébert

Q Est-ce qu'il y en a d'autres personnes de votre famille?  
R J'ai mon frère qui arrange les métiers.

Q Dans le même département que vous?

5 R Non, dans le département de mon père.

Q Êtes-vous parente avec quelques-uns des chefs de l'usine?

R Non, monsieur.

Q Pas de parents?

R Non, monsieur.

10 Q Quand vous dites que vous avez bien comprises les explications de changement, de M. Meury, qu'est-ce que vous avez compris?  
R Ça nous ôte des pièces de coton, ce qui nous ôte beaucoup de fatigue. Nous avons des poseurs de bobines, nous avons des filles qui démanchent le méchant coton, nous avons des porteurs de grosses boîtes de bobines, ça nous

15 ôte un gros fardeau.

Q Ce fardeau-là a été remplacé, quant à vous, par combien de machines. Vous aviez 12 métiers, avant, dans le temps du fardeau?

R Oui, monsieur.

20 Q Aujourd'hui vous en avez 44?

R 44.

Q 32 métiers vous sont arrivés pour remplacer ce travail-là?

R Oui.

Q Combien est-ce que cela vous prenait de votre temps pour balayer?

R J'ai jamais balayé.

25 Q Combien de temps pour nettoyer?

R J'ai jamais nettoyé.

Q Combien est-ce que ça vous prenait de temps pour poser les smashes?

R J'ai jamais posé

les smashes, il y en a pas eu depuis 14 ans passés.

30 Q Depuis 14 ans, balayer, poser les smashes et nettoyer, ces changements-là étaient antérieurs à 14 ans, c'est cela?

R Oui.





Q Combien est-ce que ça vous prenait de temps pour défaire votre méchant coton?

R Ça dépendait de la longueur, plus il était long, plus ça prenait du temps.

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Q Vous devez vous rappeler de cela, combien de temps..... en faites-vous du mauvais coton?

R Comme les autres.

Q Tout le monde en fait? R Tout le monde en fait.

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Q Combien de temps est-ce que ça vous prenait par jour pour défaire votre mauvais coton?

R Quand j'avais le temps, je défaisais tout ensemble, ça prenait trop de temps, des fois une demi-heure, une heure.

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Q Vous ne pensiez pas que l'acheter.....

R Les premiers temps, nous l'achetions; aujourd'hui, nous avons plus le droit.

Q Les premiers temps les ouvriers aimaient mieux acheter le mauvais coton que le défaire?

R Oui, monsieur.

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Q Le moulin vendait le coton? R Oui.

Q Maintenant, on vous fait reprendre le coton, pour le défaire, c'est cela? R Oui.

Q Alors, ça pouvait vous faire perdre combien d'heures, dans une semaine, de défaire du coton?

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R Quand nous avons du coton bien difficile à weaver, ça prend plus de temps pour le défaire.

Q Le coton de la moyenne, à 44 machines, ça fait du coton difficile? R Non.

Q Vous ne pouvez pas me dire que c'est du coton difficile, de travailler dans le coton difficile?

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Compteur de la page 10



R Non, monsieur.

Q Combien est-ce que ça peut vous prendre de temps pour défaire du mauvais coton. Cela vous arrive à tous les jours?

R Pas à tous les jours.

Q Combien de temps? R Des fois, une demi-heure, ça varie, des fois, 10 minutes, suivant la longueur....

Q Est-ce que ça peut prendre deux heures, trois heures par jour, sur vos métiers, à vous?

R Non, quand le coton est trop méchant, le patron passe et marque son nom.

Q On ne le travaille pas, on le coupe?

R Oui, monsieur.

Q Maintenant, du mauvais coton, vous n'en défaites plus, une jeune fille le défait pour vous?

R Oui, monsieur.

Q J'aimerais savoir combien de temps ça prend par jour à la jeune fille pour défaire le coton, combien vous lui faites passer de temps sur vos métiers, à vous?

R Ca arrive qu'elle vient trois ou quatre fois par jour, 15 minutes, une demi-heure, des fois plus.

Q Elle peut prendre une heure, une heure et demie par jour avec vous?

R A peu près.

Q Autrefois, étiez-vous obligée de remplir vos batteries?

R Oui.

Q Combien est-ce que ça fait de temps que quelqu'un remplit vos batteries?

R Ça fait à peu près cinq ans.

Q A peu près cinq ans?

R Oui, monsieur.

Q Cela vous prenait combien de temps à faire cela?

Combien est-ce que la nuit vous prendrait de temps  
pour défaire du mauvais coton. Cela vous arrive à  
tous les jours  
R. Pas tous les jours  
Combien de temps  
R. Pas tous les jours  
Combien de temps, en vérité, des fois, 10 minutes, parfois  
le lendemain...  
R. Est-ce que la nuit prendrait deux heures, trois  
heures par jour, ou vos affaires, à vous?  
R. Non, quand le coton est trop lâchant, la nuit  
passe et mène son train.  
R. On ne le travaille pas, on le coupe  
R. Oui, souvent.  
R. Par exemple, du mauvais coton, vous n'en défaits  
plus, n'est-ce pas?  
R. Oui, souvent.  
R. L'habitude revient souvent de temps en temps  
par jour à la jeune fille pour défaire le coton.  
Combien vous lui faites passer de temps sur vos dé-  
faits à vous?  
R. Par exemple, elle vient trois ou quatre fois par jour, 10 minutes, une  
demi-heure, des fois plus.  
R. Elle peut prendre une heure, une heure et demi  
par jour avec vous?  
R. A peu près.  
R. Combien est-ce que la nuit de temps que la nuit  
remplit vos batteries?  
R. Ça varie à peu près  
Combien  
R. Oui, souvent.  
R. Cela vous prendrait combien de temps à le défaire

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R Je peux pas le dire.

Q Est-ce que cela vous retardait beaucoup de remplir les batteries?

R Par le fait qu'il y avait seulement 12 métiers, on s'en apercevait moins; sur 44, on peut pas, aujourd'hui.

Q Sur 12 métiers, ça se faisait possible?

R Oui, monsieur.

Q Maintenant, poser les smashes, faisiez-vous cela?

R Non, monsieur.

Q Vous ne faisiez pas les smashes, vous ne faisiez pas le balayage, vous ne faisiez pas le nettoyage?

R Non, monsieur.

Q Vous défaisiez le mauvais coton?

R Oui, monsieur.

Q Qu'est-ce que c'est, mademoiselle, que vous ne faites pas maintenant que vous faisiez autrefois?

R J'ôtes pas les pièces.

Q C'est quand le rouleau de coton était fini, vous l'enleviez vous-même?

R Oui.

Q Vous faisiez quoi?

R Je le déroulait, je le coupais, le j'ôtai dans un rouleau de fer, c'était pas mal pesant.

Q Cela vous prenait combien de temps?

R Ça pouvait prendre trois ou quatre minutes.

Q Cela arrivait combien de fois par jour?

R Ça dépendait de la sorte de coton qu'on avait.

Q Vous faisiez cela?

R Oui.

Q Il y a 14 ans?

R Oui.

Q Il y a combien de temps de cela que vous ne faites plus cela?

R Environ cinq ou six ans.

Q A part cela, que vous faisiez-vous?

R Je peux pas le dire.  
Q Est-ce que cela vous paraît beaucoup de temps?  
R Par le fait  
qu'il y avait seulement 12 lettres, on s'en aperçoit  
vraiment; non 44, on sent pas, enjambé, non.  
Q Sur 12 lettres, ça se faisait possible?  
R Oui, monsieur.  
Q Maintenant, pour les phrases, faites-vous  
cela?  
R Non, monsieur.  
Q Vous ne faites pas les phrases, vous ne les  
pas le langage, vous ne faites pas le langage.  
R Non, monsieur.  
Q Vous décrivez le langage comme?  
R Oui, monsieur.  
Q C'est-à-dire que c'est, mathématiquement, que vous  
faites pas maintenant que vous faites mathématiquement  
12 lettres pas les phrases.  
Q C'est quand le langage de votre écriture, vous  
l'enlèvez vous-même?  
R Oui.  
Q Vous faites donc  
le langage, le j'étais dans un langage de l'ex,  
Cela vous paraît compliqué de temps.  
Q Ça paraît prendre trois ou quatre minutes.  
Q Cela arrivait compliqué de fois par jour?  
R Ça dépendait de la sorte de votre écriture.  
Q Vous faites cela?  
R Oui.  
Q Il y a 14 ans?  
R Oui.  
Q Il y a compliqué de temps de cela que vous ne  
plus cela?  
R Environ cinq ou  
six ans.  
Q A part cela, que vous faites-vous?

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R Je portais mes boîtes de bobines.

Q Où les portiez-vous? R Je les prenais dans l'allée et je les portais à chaque métier.

Q C'est vous qui faisiez cela? R Oui.

Q 12 métiers, R Oui.

Q Les boîtes de bobines? R Oui.

Q Cela prenait combien de temps, cela?

R Ça dépend, quand les métiers étaient vides; quand ils en avaient trop de besoin.

Q Attendez-vous que les métiers soient rendus à rien ou si vous faisiez cela pendant....

R Il fallait attendre qu'il passe.

Q Quand il passait? R Oui, nos métiers restaient arrêtés pendant ce temps-là?

R Cela vous faisait perdre combien de temps par jour, cela? R Je sais pas.

Q Une couple d'heures, vingt minutes, une demi-heure, une heure, combien? R Une demi-heure, peut-être, dix minutes,, quinze minutes.

Q Qu'est-ce que vous faisiez, à part cela, que vous ne faites plus.

Q C'est à peu près tout: quatre choses qu'ils ont supprimées: poser les bobines, ôter les pièces, porter les bobines, défaire le méchant coton.

Q Ces quatre choses-là: Enlever les pièces,, c'était une affaire de quelques minutes à chaque pièce?

R Oui, ça variait; des fois non en ôtions plusieurs.

Q Qu'est-ce que c'est plusieurs, qu'est-ce que vous avez dans l'esprit? R Plusieurs, pesantes.

Q Plusieurs, cela veut dire combien, cela, approximativement, 4, 5, 6? R Des fois, plus que cela.

10. Je portais mes habits de chambre.  
11. On les portait-ils ?  
12. Dans l'après-midi, je les portais à l'école.  
13. C'est vous qui les portiez ?  
14. Oui.  
15. Les habits de chambre ?  
16. Oui.  
17. Cela n'est pas de la même coupe, n'est-ce pas ?  
18. Oui, quand les habits de chambre sont plus longs.  
19. Attendiez-vous que les habits de chambre soient plus longs ?  
20. Évidemment, car ils sont plus longs.  
21. Si les habits de chambre sont plus longs, ils sont plus longs.  
22. Oui, mais ils sont plus longs.  
23. Les habits de chambre sont plus longs, n'est-ce pas ?  
24. Oui, mais ils sont plus longs.  
25. Les habits de chambre sont plus longs, n'est-ce pas ?  
26. Oui, mais ils sont plus longs.  
27. Les habits de chambre sont plus longs, n'est-ce pas ?  
28. Oui, mais ils sont plus longs.  
29. Les habits de chambre sont plus longs, n'est-ce pas ?  
30. Oui, mais ils sont plus longs.



R Des fois, une dizaine, une quinzaine.

Q On peut tomber sur combien comme moyenne? dix, 12? R 12, 15 peut-être.

Q Ca prend une demi-heure, trois-quarts d'heure pour cela?

ME BALLANTYNE: PLUS que ça.

PAR ME BEAUREGARD:

Q Une demi-heure, trois-quarts d'heure pour cela?

R Oui.

Q Pour poser les bobines, transporter les bobines, vous avez dit que ça prend une demi-heure?

R Oui.

Q Poser les bobines, cela vous prenait?

R Je peux pas le dire, ça se fait du matin au soir.

Q A tous moments? R Du matin au soir, ça se fait, poser les bobines.

Q Pour remplacer quatre métiers, quatre opérations, vous avez reçu 32 métiers, 32 moulins; vous en avez, maintenant, 44 machines contre 12 machines autrefois?

R Oui, monsieur.

Q Le salaire est sensiblement la même chose?

R Oui, monsieur.

Q Autrement dit, vous avez actuellement plus de trois fois plus de machines que vous en aviez avant?

R Oui, monsieur.

Q Vos 12 moulins représentent un peu moins de tiers de votre temps par jour? R Oui.

Q Si vous faites actuellement une journée de 10 heures, vos 12 moulins, c'est à peu près comme si vous travailliez aujourd'hui trois heures au lieu de 10 heures. Ça revient à cela. Vous aviez, avant,

Q. Les lois, les décrets, les règlements.  
R. On peut trouver ces choses quelque part.  
Q. A 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

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moins qu'un tiers des moulins que vous avez aujourd'hui. Vous faisiez à peu près le tiers de l'ouvrage que vous faites aujourd'hui.

R Oui, mais l'ouvrage est plus compliqué aujourd'hui.

Q En quoi? R Parce qu'un warp qui a plusieurs brins de cassés, on le coupe aujourd'hui. Autrefois, ça se faisait pas comme ça. Aujourd'hui, nous sommes sensées ôter le warp et le garder pour le donner à notre contre-maitre. Il fait des rapports que l'ouvrage est méchante.

Q Autrefois, votre production de coton était trois fois moins élevée qu'elle ne l'est aujourd'hui?

R Oui, monsieur.

Q Vous avez 44 machines contre 12? R Oui.

Q Est-ce que votre salaire est trois fois plus?

R Non, monsieur.

Q Pour compenser la production de trois fois plus de coton, on vous a enlevé les quatre opérations dont vous venez de parler. R C'est quatre fois plus dure.

M. LE COMMISSAIRE: Est-ce que vous aimez mieux votre travail d'aujourd'hui que le travail que vous faisiez autrefois? R Réellement, oui, je l'aime mieux aujourd'hui.

PAR ME BALLANTYNE:

Q Quand vous avez dit, tout à l'heure, que vous attendiez du travail, vous avez dit cela en réponse à une question de M. Beauregard, est-ce que vous dites cela parce que c'était qu'il n'y avait pas d'ordres ou si vous attendiez un "loom-fixer".

Est-ce que cela arrive des fois que vous êtes obligée

moins de l'un des deux autres, et vous savez bien  
d'inst. Vous faites à peu près le tiers de l'œuvre  
de vos deux autres collègues.

Il faut, mais l'œuvre est une œuvre d'ensemble  
et non pas une œuvre individuelle.

Il faut donc que les trois collègues  
se mettent d'accord sur le plan de l'œuvre, et  
sur la répartition des tâches. On ne peut pas  
attendre que les collègues se mettent d'accord  
après coup, et se fassent des reproches.  
Il faut donc que les collègues se mettent d'accord  
avant de commencer l'œuvre.

Il faut donc que les collègues se mettent d'accord  
avant de commencer l'œuvre. Il faut donc que les  
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l'œuvre.

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avant de commencer l'œuvre. Il faut donc que les  
collègues se mettent d'accord avant de commencer  
l'œuvre.



D'attendre pour avoir du travail parce qu'il n'y a pas d'ordres dans le département?

R Cela arrive que nous attendions après l'ouvrage.

PAR ME BEAUREGARD:

5

Q Vous ne vous en allez pas chez vous?

R Non, monsieur.

PAR ME BALLANTYNE:

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Q Il arrive, des fois, qu'il faut attendre quelque temps pour un "loom-fixer"; est-ce que c'est arrivé quand vous posiez comme cela arrive quelques fois aujourd'hui?

R Ca toujours

arrivé depuis que je travaille, depuis 14 ans.

PAR ME BEAUREGARD:

Q Ils ont toujours été en retard les "loom-fixers"?

15

R Depuis 14 ans.

Q Ils sont mieux payés que les autres et ils travaillent moins?

R Je comprends pas

ce que vous voulez me dire.

20

ORILDA LEDUC est assermentée.

INTERROGEE PAR ME BALLANTYNE:

25

Q Mademoiselle Leduc, vous travaillez pour la Montreal Cottons, à Valleyfield?

R Oui, monsieur.

Q Quelle sorte de travail faites-vous?

R Tisseuse.

M. LE COMMISSAIRE: Parlez plus fort, il faut que j'entende. Qu'est-ce qu'elle fait?

30

LE TEMOIN: Tisseuse.

D'attendre pour avoir du travail parce qu'il n'y a

pas d'ordres dans le district.

R. Cela arrive que nous attendons après l'arrivée.

PAR LE BANCARD:

Vous ne vous en allez pas chez vous?

R. Non, monsieur.

PAR LE BANCARD:

Il arrive, que vous, qu'il faut attendre quelque

temps pour un "boom-liner"; car-ce que c'est arrivé

dans vos ports comme cela arrive quelques fois

aujourd'hui?

Arrivé depuis que je travaille, depuis 14 ans.

PAR LE BANCARD:

Les ont toujours été en retard les "boom-liners"

R. Depuis 14 ans.

Les sont mieux payés que les autres et ils tra-

vaillent moins?

R. Je comprends pas

ce que vous voulez me dire.

CHAPITRE DEUXIEME

Mademoiselle Jeanne, vous travaillez pour la

Montreal Cotton, à l'usine?

R. Oui, monsieur.

Quelle sorte de travail faites-vous?

R. Coudre.

M. Le salaire est-il bon? Il faut que

l'usine soit bien tenue.

Le salaire est-il bon?

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PAR ME BALLANTYNE:

Q Depuis quand êtes-vous tisseuse?

R Ça va faire 20 ans en juillet.

Q Tisseuse depuis 20 ans? R Oui.

Q Maintenant, vous étiez ici cet après-midi et vous avez entendu les témoignages qui ont été données par M. Meury et par mademoiselle Hébert?

R Oui, monsieur.

Q Avez-vous compris les explications qui ont été données des changements entre ce qu'on appelle le nouveau système de travail et l'ancien système de travail? R Oui, monsieur.

Q Actuellement, vous travaillez sur combien de métiers? R Sur 46 métiers.

Q Et, dans le passé? R 14.

Q Alors, comment trouvez-vous votre travail d'aujourd'hui en comparaison avec votre travail quand vous travailliez sur 14 métiers?

R Je trouve que c'est moins forçant que de travailler sur 14 métiers?

R C'est moins forçant que de travailler sur 14 métiers? R Oui.

Q Que faisiez-vous dans le temps que vous aviez 14 métiers que vous ne faites pas maintenant sur 46?

R Je charriais pas les bobines, j'étais pas les cats, j'emplisais pas les navettes, je démançais pas le coton.

Q Cela fait quatre opérations qu'on vous a ôtées?

R Oui, monsieur.

Q C'est tout-à-fait comme mademoiselle Hébert nous a dit? R Ah, oui.

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CONTRE-INTERROGÉE PAR ME BEAUREGARD:

Q. Quelle était votre dernière paye, vous Mademoi-  
selle? R. \$35.

5 Q. Combien d'heures? R. 80 heures d'ou-  
vrage.

Q. 80 heures d'ouvrage, \$35. La paye précédente,  
le savez-vous? R. \$38, je crois.

10 Q. Pour combien d'heures? R. 80 heures d'ou-  
vrage.

Q. Encore 80 heures? R. Oui.

Q. Ca doit être vous qui a à peu près le plus gros  
salaire là, dans les tisserands?

R. A peu près.

15 Q. Ce n'est pas une moyenne que nos savants amis  
ont amenée, c'est une championne.

Q. Vous devez être la personne la mieux payée  
parmi tous les tisserands de la boutique?

R. Je le gagne.

20 Q. S'ils vous le donne vous l'avez mérité. C'est  
vous qui touchez le plus gros salaire des tisse-  
rands, hommes et femmes? R. Pour les hom-

mes, je sais, pas, des femmes, .....

Q. Des femmes, vous êtes la meilleure?

ME BALLANTYNE: Il y en a encore,

25 PAR ME BEAUREGARD:

Q. Je n'ai rien fait dire d'inquiétant pour votre  
compagnie, c'est votre meilleure ouvrière.

Q. Vous êtes une personne bigoureuse, cela ne devait  
pas vous donner bien du mal de nettoyer les métiers  
avec l'énergie et la force que vous avez?

30 R. J'ai pas toujours été <sup>grasse</sup> ~~forte~~ comme je le suis,  
ici.





ici.

Q C'est depuis cinq ans que vous avez fait du lard, depuis que l'ouvrage est facile?

R Depuis que je forces pas j'ai engraisié.

5

Q Vous êtes mieux? R Oui.

Q Devons-nous comprendre que ça vous fatiguait d'enlever des pièces de coton, avant?

R Oui, ça me fatiguait.

Q C'était trop dur? R Enlever des boites....

10

Q Vous êtes-vous déjà plainte au contre-maitre que c'était trop dur de lever des boites, d'enlever du coton? R Je me suis pas plainte.

Q Est-ce qu'il y a des femmes de votre classe qui faisaient cela? R Oui.

15

Q Qui ne se plaignaient pas? R Oui;

Q Qui ont enduré? R Oui.

Q Enduré longtemps? R Charrier des bobines, c'était.....

R C'était pas fatigant? R Oui, c'était fatigant.

20

Q Combien est-ce que cela pesait, cela?

R Ça dépend, une boite pas mal pleine, il y en a qui pèsent 35.

Q 35 livres? R 35 livres.

25

Q Pour apporter cela au bout de son bras?

R Au bout de nos bras, au bout de notre allée.

Q Ça ne se fait plus? R Non.

Q Cela prenait combien de temps par jour?

R Pour poser les bobines, on me dit que ça pouvait prendre une demi-heure, trois-quarts d'heure.

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Q Par jour, pour cette opération-là? R Oui.

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Q C'est depuis cinq ans que vous avez fait du la-  
 depuis que l'ouvrage est fini?  
 R Depuis que je l'aurais pas j'ai engraisé.  
 Q Vous êtes mieux? R Oui.  
 Q Devons-nous comprendre que ça vous fatiguait  
 à enlever des pièces de coton, avant?  
 R Oui, ça me fatiguait.  
 Q C'était trop dur? R Enlever des  
 boîtes....  
 Q Vous êtes-vous déjà plainte au contre-maître  
 que c'était trop dur de lever des boîtes, d'enlever  
 du coton? R Je me suis pas plainte.  
 Q Est-ce qu'il y a des femmes de votre classe  
 qui faisaient cela? R Oui.  
 Q Qui ne se plaignaient pas? R Oui.  
 Q Qui ont enduré? R Oui.  
 Q Pour longtemps? R Pendant des  
 semaines, c'était.....  
 R C'était pas fatiguant? R Oui, c'était  
 fatiguant.  
 Q Combien est-ce que cela pesait, cela?  
 R Ça dépend, une boîte pas mal pleine, il y en  
 a qui pèsent 35.  
 Q 35 livres? R 35 livres.  
 Q Pour apporter cela au bout de son bras?  
 R Au bout de nos bras, au bout de notre aisselle.  
 Q Ça ne se fait plus? R Non.  
 Q Cela prenait combien de temps par jour?  
 R Pour lever les boîtes, ça se faisait par jour.  
 R Pour lever les boîtes, ça se faisait par jour.



5597

Mlle Leduc

Q Maintenant, pour emplir les navettes, combien de temps, cela? A A la journée.

Q Combien de temps dans une journée?

5

R Quand les navettes étaient vides il fallait les remplir, je peux pas dire combien ça prend de temps, une minute, deux minutes.

Q Pendant cela, vous aviez moins de métiers à surveiller? R Oui.

10

Q Quand vous aviez 12 ou 14 métiers, les teniez-vous en mouvement tous les 14?

R Presque toujours.

Q Etes-vous capable, aujourd'hui, de tenir 44 métiers en mouvement? R Je les fournis.

15

Q Vous fournissez 44 métiers? R Oui.

Q Les cuts, ça pesaient combien, une trentaine de livres? R Ça dépend de la sorte de coton.

Q Ça ne vous pesait pas aux bras pour le déposer en arrière? R Ça dépend du coton.

20

Q Au lieu des quatre opérations que vous venez de parler, vous avez passé de 14 machines à 46?

R Oui, monsieur.

Q C'est-à-dire, à peu près trois fois et quelque chose plus de machines qu'avant. Vous en venez encore à bout? R Oui, certainement.

25

Q Vous gagnez à peu près le même salaire qu'avant?

R Des fois je fais des meilleures payes.

Q Avec vos 14 machines, est-ce que vous gagniez plus ou moins? R A peu près la

même chose.

30

Q Le changement n'a pas été dans la paye, le changement a été dans le nombre de machines?

1957

1957

Maintenant, pour ce lire les investies, combien de temps, celui?

Combien de temps dans une journée?

Quand les investies étaient vivants il était

les remplir, je pourrais dire combien de temps de

l'argent cela, vous avez moins de matière à

Quand vous avez 12 ou 14 mètres, les remplissez

vous en mouvement tous les 14?

Non, presque toujours.

Et vous avez ces 12, 14 mètres, de temps à

mètre en mouvement? Non, les remplissez.

Vous remplissez de matière à 14.

Les câbles, ça pourrait couler, une trentaine

de livres? Non ça dépend de

la sorte de câble.

Ça ne vous paraît pas aux yeux de la police

en arrière? Non ça dépend du câble.

Un peu des autres opérations que vous venez de

parler, vous avez parlé de la machine à 14?

O'est-à-dire, à peu près trois fois et demie

chaque fois de machines qu'on utilise. Vous en venez encore

à 14 mètres, ça va.

Vous gagnez à peu près la même somme d'argent

Non, des fois je fais des meilleures pages.

Après tout il y a des machines, et-ça que vous connaissez

Plus ou moins? Non à peu près la

Le rendement n'est pas le même, le rendement

est à 14 dans le nombre de machines

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R Des fois je fais plus d'argent que je faisais avant, dans les 14 métiers, on avait pas toujours notre coton, des fois, on attendais après un warp, comme aujourd'hui.

5 Q Attendez-vous après des warps, aujourd'hui?

R Oui, monsieur.

Q Les loom-fixers vous retardent, des fois, les loom-fixers, les arrangeurs de métiers?

10 R Comme ailleurs, des fois ils travaillent sur une job qu'ils pensaient qui serait pas longue, ils sont pas pour la laisser.

Q Combien de temps pouvez-vous perdre en attendant?

R Environ une heure.

Q Par métier?

R Oui.

15 Q Ordinairement, vous avez des métiers qui ne marchent pas sur ces 46?

R Des fois.

Q Quelle a été votre plus grosse paye de votre carrière?

R Dans le temps de la guerre, j'ai fait jusqu'à \$60.

M. LE COMMISSAIRE: Par quinzaine?

20 LE TEMOIN: Pour une quinzaine.

PAR ME BEAUREGARD:

Q Pour combien de métiers?

R J'ai runné jusqu'à 60 métiers.

Q Pendant la guerre, combien de métiers?

25 R Pendant la guerre, jusqu'à 60 métiers.

Q Pendant la guerre, 60?

R Pendant la guerre.

Q Pendant la guerre, ça remonte à 1916?

R Oui, monsieur.

Q Ça fait 20 ans?

R Ça fait 20 ans.

30

Q Ça fait 20 ans que vous êtes là? - R Oui.

... et de la ...  
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5599

Mlle Leduc

Q Vous en avez eu 60 en entrant?

R Non, pas en entrant, presque tout de suite,  
un an et demi, après.

Q Au bout d'un an et demi, vous avez eu 60 métiers?

R Oui, monsieur.

Q Après le temps de la guerre, quelle a été votre  
plus grosse paye?

R L'hiver passé,  
j'ai fait jusqu'à \$54.

Q Avec combien de moulin? R 42 machines.

Q Vous avez entendu dire cela souvent qu'un ou-  
vrier faisait \$54. dans une quinzaine?

R Il y en a qui le font.

Q D'autres, pensez-vous? R Oui.

Q Des hommes et des femmes?

R Des hommes, des femmes, la même chose.

Q Quand avez-vous touché des payes de \$35, \$36.?

R L'hiver passé.

Q En 1935, combien de machines, vous avez dit: 42?

R 42.

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JOSEPH JOURDAIN est assermenté

INTERROGE PAR M<sup>RE</sup> HEWARD:

Q M. Jourdain, est-ce que vous êtes employé à la  
Montreal Cottons? R Oui, monsieur.

Q Depuis combien de temps êtes-vous employés par  
cette compagnie? R 34 ou 35 ans, à  
peu près.

Q Que faites-vous, maintenant?

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100

Q. Vous en avez eu 33 en tout?  
R. Non, pas en tout, mais en tout de suite.  
un en tout, n'est-ce pas?  
R. Au bout d'un an et demi, vous avez eu 33 en tout?  
Q. Après le décès de la femme, elle a été votre  
une femme, n'est-ce pas?  
R. Oui, c'est tout.  
Q. Elle est morte à 33.  
R. Avec combien de enfants?  
Q. Vous avez souvent dit que vous n'en aviez  
plus, n'est-ce pas?  
R. Il y en a eu 10 tout.  
Q. Pourquoi, n'est-ce pas?  
R. Des hommes et des femmes?  
R. Des hommes, des femmes, la même chose.  
Q. Quand avez-vous vu ces gens de 100, 100?  
R. L'autre fois.  
Q. En 1900, combien de personnes, vous avez dit 40?  
R. 40.

Q. Vous avez dit que vous n'en aviez plus.  
R. Oui, n'est-ce pas?  
Q. Vous avez dit que vous n'en aviez plus.  
R. Oui, n'est-ce pas?  
Q. Vous avez dit que vous n'en aviez plus.  
R. Oui, n'est-ce pas?



R Arrangeur de métiers.

Q Depuis quand êtes-vous arrangeur de métiers?

R 16 ans.

Q Où travaillez-vous? R Dans le "Old Mill", département 7.

Q Travaillez-vous dans la même section que le témoin Leduc qui a été entendu?

R C'est la même place, j'ai pris sa section, de M. Leduc.

Q Est-ce qu'il y a eu un changement de système d'ouvrage pour les arrangeurs de métiers depuis que vous êtes arrivé à ce travail-là, à cet ouvrage-là?

R Ils ont changé de système, plus de métiers.

M. LE COMMISSAIRE: VOUS avez plus de métiers?

LE TEMOIN: Plus de métiers.

PAR LE HEWARD:

Q Est-ce que vous faites la même sorte de travail qu'avant le changement? R Non, monsieur.

Q Qu'est-ce que vous faisiez avant le changement que vous ne faites pas maintenant?

R Avant, j'avais 83 métiers et je faisais toute l'ouvrage qu'il y avait à faire sur ces métiers: poser la varp, changer les cans, des fois une heure une heure et demie d'ouvrage.

Q Maintenant, ça se fait par d'autres?

R Ça se fait par d'autres, des hommes spéciaux sur ces ouvrages-là.

Q Des hommes spéciaux pour faire ces ouvrages-là?

R Oui, monsieur.

Q Est-ce que vous trouvez votre travail moins forçant ou plus forçant aujourd'hui qu'il l'était aupa-





5601

Jourdain  
, Paré

R C'est bien moins forçant pour la grosse ouvrage,  
on fait faire la grosse ouvrage par d'autres.

Q Même avec un plus grand nombre de métiers à  
surveiller?

R Ah, oui, j'ai  
plus de métiers, j'ai 169 métiers.

Q Maintenant, vous avez 169 métiers?

R Oui, monsieur.

Q Dans le temps, vous en aviez?

R 83.

ARMAND PARÉ est assermenté.

INTERROGE PAR ME HEWARD:

Q Vous êtes employé à la Montreal Cottons, R. Paré?

R Oui, monsieur.

Q Que faites-vous, maintenant?

R Arrangeur de métiers.

Q Arrangeur de métiers? R Arrangeur de mé-  
tiers.

Q Depuis combien de temps êtes-vous arrangeur de  
métiers?

R Depuis 20 ans.

M. LE COMMISSAIRE: Depuis 20 ans?

LE TEMOIN: Depuis 20 ans.

PAR ME HEWARD:

Q Où travaillez-vous? R Dans le vieux moulin.

Q Dans le vieux moulin? R M. Samson.

Q Dans quelle section? R Dans la section  
numéro 4.

Q Dans la même section que le témoin Leduc qui

1000

1000

on fait faire la grande œuvre à l'œuvre.  
1. 1ère avec un grand nombre de 1000 à  
2. 2ème avec un grand nombre de 1000 à

3. 3ème avec un grand nombre de 1000 à  
4. 4ème avec un grand nombre de 1000 à  
5. 5ème avec un grand nombre de 1000 à

1000

1000

6. 6ème avec un grand nombre de 1000 à  
7. 7ème avec un grand nombre de 1000 à  
8. 8ème avec un grand nombre de 1000 à  
9. 9ème avec un grand nombre de 1000 à

10. 10ème avec un grand nombre de 1000 à  
11. 11ème avec un grand nombre de 1000 à

12. 12ème avec un grand nombre de 1000 à  
13. 13ème avec un grand nombre de 1000 à  
14. 14ème avec un grand nombre de 1000 à

15. 15ème avec un grand nombre de 1000 à  
16. 16ème avec un grand nombre de 1000 à  
17. 17ème avec un grand nombre de 1000 à  
18. 18ème avec un grand nombre de 1000 à



était arrangeur de métiers dans le temps?

R Oui, monsieur.

Q Pendant que vous travailliez comme arrangeur de métiers il y a eu un changement dans le système d'ouvrage, n'est-ce pas?

R Oui, monsieur.

Q Combien de métiers aviez-vous avant le changement de système?

R 82.

Q 82?

R 82.

Q Et, combien en avez-vous maintenant?

R 152.

Q 152?

R Oui, monsieur.

Q Qu'est-ce qu'on a fait comme changement, qu'est-ce que vous faisiez, dans le temps, que vous ne faites pas, maintenant?

R Dans ce temps-

là, je posais les warps, on changeait les cans, on faisait toutes les grosses jobs.

Q Toutes les grosses jobs?

R Toutes les grosses jobs.

Q Qui les faits maintenant? R C'est un homme spécial qui fait ça.

Q Un homme spécial pour poser les warps?

R Nous avons un homme pour poser les warps, un homme spécial.

Q Un homme spécial, dans le département?

R Un homme spécial du "store".

Q Est-ce que vous trouvez votre ouvrage moins forçant ou plus forçant aujourd'hui qu'auparavant?

R Pour nous, on trouve ça moins forçant aujourd'hui.

Q Même avec un plus grand nombre de métiers?

R Oui, pas de warps à poser.

CONTRE-INTERROGE PAR ME BEAUREGARD:

Q Il ne vous reste plus rien à faire, la filling





5603

Paré

se coupe? R Des fois, on reste une  
heure, vingt minutes, une heure, pas souvent, ça.

M. LE COMMISSAIRE: Est-ce que vous êtes payé à  
l'heure?

LE TEMOIN: Oui, c'est nous autres qui sommes  
responsables de tout ça.

M. LE COMMISSAIRE: Vous avez combien del'heure?

LE TEMOIN: 42 cents de l'heure.

PAR ME BEAUREGARD:

Q Est-ce qu'il y a plusieurs sortes d'arrangeurs  
de métiers au moulin?<sup>1</sup> R Aujourd'hui,  
ils divisent pas en classe.

Q Des bons, des moins bons, des pas bons. Vous  
êtes dans les bons?

R J'ai été une escousse dans les pas bons, j'ai  
appris le métiers.

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(Page 5610 follows.)

se conçoit  
à ces fins, on se propose  
d'abord, d'expliquer, par un exposé, les motifs  
qui ont conduit le Gouvernement à proposer  
la loi. Ensuite, on examinera les dispositions  
de la loi, et on cherchera à en faire ressortir  
l'importance et l'utilité. Enfin, on terminera  
par quelques observations générales sur la situation  
financière de l'Etat, et sur les mesures  
qui doivent être prises pour y remédier.

(Page 101)

18

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5610

THE COMMISSIONER: That finishes Valleyfield.

What about Montmorency, Mr. McRuer?

MR. McRUER: That has been finished, my lord.

5 THE COMMISSIONER: I thought there were some things left over.

MR. McRUER: We did spend some time on Montmorency in Montreal since we left Quebec.

THE COMMISSIONER: That is right.

10 MR. McRUER: Then we cleared at Valleyfield the other day, the Minutes of the Shareholders' meeting for January, or February rather, of 1931, were missing from the book.

15 MR. HEWARD: They had been found, Mr. McRuer, and they were going to be sent into you along with the other documents. Do you want them now?

MR. McRUER: It would be all right if you send them in with the other documents.

20 MR. HEWARD: All right, that will be done.

THE COMMISSIONER: What comes next, Mr. McRuer?

MR. McRUER: I am ready to proceed with the balance of the afternoon.

25 THE COMMISSIONER: We have only ten minutes left.

MR. McRUER: Yes, my lord, but I can introduce my subject at any rate.

THE COMMISSIONER: Very well.

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30

THE CHIEF CLERK: That is the matter, I think.

MR. BRYDIE: That has been finished, my lord.

THE CHIEF CLERK: I thought there were some

things left over.

MR. BRYDIE: No, my lord, I did not want to be on the

in front of the court since we left the

the court, I think that is right.

MR. BRYDIE: Then we cleared at Vol. 1 of the

other day, the minutes of the Court, meeting

for January, or February, of 1911, were missing

from the book.

MR. BRYDIE: They had been found, Mr. BRYDIE,

and they were going to be sent into your office with the

other documents, for the year 1911.

MR. BRYDIE: It would be all right if you send

them in with the other documents.

MR. BRYDIE: All right, that will be done.

THE CHIEF CLERK: That comes next, Mr. BRYDIE?

MR. BRYDIE: I am ready to proceed with the

minutes of the afternoon.

THE CHIEF CLERK: We have only ten minutes left.

MR. BRYDIE: Yes, my lord, but I can't do more

my subject at my rate.

THE CHIEF CLERK: Very well.

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WALTER EVERSFIELD, Sworn,

EXAMINED BY MR. McRUER:

5 Q. Mr. Eversfield, you are the assistant secretary  
are you, of the Dominion Textile Company? A. Yes, sir.

Q. And I believe that recently a booklet has been  
compiled known as the "Financial History of Your  
Company". That has compiled by Company officials?

10 A. Yes, sir.

Q. And it has been given somewhat broad circulation?

A. As far as I know, it was mailed to the shareholders.

THE COMMISSIONER: What is the title of the  
booklet, Mr. McRuer?

15 MR. McRUER: The "Financial History of Your Company."

THE COMMISSIONER: Of the Dominion Textile Co.?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: Are you putting it in?

20 A. MR. McRUER: Yes, I will put a copy of it in,  
my lord.

BY MR. McRUER: Q. You identify this as a copy?

A. Yes, sir, that is a copy.

THE COMMISSIONER: That will be Exhibit 329.

25 EXHIBIT 329: Booklet called "Financial  
History of your Company."

BY MR. McRUER: Q. The Dominion Textile Company  
Limited, was apparently organized in 1905? A. Yes, sir.

30 Q. And it consisted of an amalgamation of four  
companies known as Dominion Cotton Mills Company,  
Cotton  
Limited, Merchants/Company, Montmorency Cotton

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1911

THE COMPANIES

Q. Mr. Brewster, you are the assistant secretary

are you, of the Dominion Textile Company? A. Yes, sir.

Q. And I believe that recently a booklet has been

compiled known as the "Financial History of Your

Company".

Q. Yes, sir.

Q. And it has been given somewhat broad circulation.

A. As far as I know, it was mailed to the shareholders.

THE COMPANIES: And in the title of the

booklet, the title

the booklet, the "Financial History of Your Company".

THE COMPANIES: Of the Dominion Textile Co.?

MR. BREWSTER: Yes, my lord.

THE COMPANIES: Are you putting it in?

MR. BREWSTER: Yes, I will put a copy of it in.

my lord.

BY MR. BREWSTER: You identify this as a copy?

A. Yes, sir, that is a copy.

THE COMPANIES: That will be Exhibit 330.

EXHIBIT 330  
History of Your Company.

BY MR. BREWSTER: The Dominion Textile Company

limited, was originally organized in 1903? A. Yes, sir.

Q. And it consisted of an amalgamation of four

companies known as Dominion Textile Company,

limited, and Dominion Textile Company.



Mills Company, and Colonial Bleaching and Printing Company, Limited? A. Yes, that is correct.

THE COMMISSIONER: Excuse me, Mr. McRuer.

What year was that?

MR. McRUER: In 1905. If you will just let his Lordship have this booklet, I have a copy of it here, and in that way you can follow some of the details of the amalgamation.

Q. On page 7 of the booklet there appears Schedule No. 2; that purports to set up the basis of the amalgamation, does it not? A. Yes.

Q. It is headed: "Schedule showing details of exchange of capital stock of Dominion Cotton Mills Company Limited, Merchants Cotton Company, Montmorency Cotton Mills, and Colonial Bleaching and Printing Company, for Securities of Dominion Textile Company Limited, (1905)."

Now, the Dominion Textile Company has a capitalization of how many shares altogether? A. At that time?

Q. Yes, at that time? A. I don't know whether I can say that from memory. I think it is given in this booklet, though.

Q. Let us get it from here. I know there was \$5,000,000 of common stock, that is, 50,000 shares of \$100 each, and it was preferred stock that I don't remember off-hand? A. That looks like the answer there.

Everett, J.

Bois

Mills Company, and Colonial Manufacturing and Printing

Company, Limited? A. Yes, that is correct.

next year and that?

Mr. Bennett in 1905. If you will have the

bookings have this booklet, I have a copy of it here.

and in that way you can follow some of the details

of the amalgamation.

On page 7 of the booklet there appears

schedule No. 2; that purports to set up the details

of the amalgamation, does it not? A. Yes.

It is correct.

"Schedule showing details of a change of capital

stock of Dominion Cotton Mills Company Limited,

and Colonial Manufacturing and Printing

Company, for securities of Dominion Textile

Company Limited, (1905)."

Now, the Dominion Textile Company was a corporation

of how many shares also, Mr. Bennett?

Yes, 100,000 shares.

Whether I can say that from memory. I think it is

given in this booklet, though.

Yes, it is in the booklet.

was 25,000,000 of common stock, that is, 25,000 shares

of \$100 each, and it was preferred stock that



Q. Well, we will get that accurately. Oh, yes.

On page 9 there is a schedule which shows the capitalization on the 31st March, 1906, that is, common stock \$5,000,000, and preferred stock \$1,854,396.67?

A. Yes, sir.

Q. Now, to go back to the schedule on page 7,

the capital stock of Dominion Cotton Mills Company apparently was \$3,033,600, and the shareholders

apparently got preferred stock in the new company to the extent of 25 per cent. of the par value of their holdings in the old company, and of the new company to the extent of 25 per cent., or 50 cents on the

dollar, made up half bonds and half preferred stock?

A. That is so.

Q. That is correct? A. Yes.

Q. And they apparently had a bond issue outstanding with the Dominion Cotton Mills Company of \$3,354,660? A. Yes, sir.

THE COMMISSIONER: The Dominion Cotton Mills Company?

MR. McRUER: There was a bond issue outstanding, apparently.

THE WITNESS: On which the new company assumed the liability of.

BY MR. McRUER: Q. Yes; we will come across that as we come along. Then the Merchants Cotton Company had a capitalization of \$1,500,000, and the shareholders received 18 and one-third per cent.

...and ...

...in a schedule which shows the capital-  
ization on the 1st March, 1908, that is, common stock

\$5,000,000, and preferred stock \$1,304,300.00

A. Yes, sir.

Q. Now, to go back to the schedule on page 7.

The capital stock of Dominion Cotton Mills Company

apparently was \$8,000,000, and the shareholders

apparently got preferred stock in the new company to

the extent of 25 per cent. of the value of their

holdings in the old company, and of the new company

to the extent of 25 per cent., or 20 cents on the

ollar, made up with bonds and with preferred stock

...and ...

Q. And they apparently had a bond issue out-

standing with the Dominion Cotton Mills Company of

\$8,304,000? A. Yes, sir.

Q. And that was the Dominion Cotton Mills

company?

A. Yes, sir. There was a bond issue outstanding

...of which the new company assumed

the liability of.

BY MR. KORTZ: A. Yes; we will come across

that as we come along. Then the merchants of the

...and ...

the shareholders received 10 and one-third per cent.



5614 Eversfield,

New Preferred Stock in the new Company, which took up \$275,000, and Series B bonds in the new Company of \$1,000,000, or 85 and two-thirds per cent., or they were bought out at the rate of 85 cents on the dollar with these new Series B. bonds and new preferred stock? A. Yes, sir.

Q. Then we have bonds, \$162,000. What does that mean? That is in italics. A. Those bonds were--

THE COMMISSIONER: Were not turned over?

A. Were not turned over; they were exchanged for bonds of the new company.

BY MR. McRUER: Q. Oh yes, I see.

A. We took bond for bond.

Q. Correct. Then the Montmorency Cotton Mills Company, the capital stock of that was \$1,000,000 and the shareholders received 80 per cent. new preferred stock, in the new company and \$1,000,000 in bonds, series B of the new company, or 120 per cent.?

A. Did you say series C?

A. I said Series B. I should have said Series C.

A. Series C, yes.

Q. Now, they have a bond issue outstanding of \$450,000? A. Yes, sir. That remained outstanding.

A. That remained outstanding and was assumed by the Dominion Textile Company? A. Yes, sir.

A. Then the Colonial and Bleaching Company have a capital stock of \$300,000, and for which the

Now preferred stock in the new company, which took of  
\$275,000, and series B bonds in the new company of  
\$1,000,000, or so and two-thirds per cent., or they  
were bought out at the time of the sale on the

dollar with those new series B. bonds and new company  
stock. Yes, sir.

Then we have bonds, \$100,000. What goes in  
money? That is in fiction. A. Those bonds were

THE COMPANY: Were not turned over?  
... were not turned over; they were exchanged for bonds  
of the new company.

BY MR. BRYCE: Is that so, I mean?  
...  
... from the company (after

this company, the capital stock of that was \$1,000,000  
and the corporation received at the time, was \$1,000,000  
stock, in the new company and \$1,000,000 in bonds,  
series B of the new company, or 150 per cent.

... did you say series B?  
... I said series B. A should have said series C.  
... series C, yes.

... Now, they have a bond issue on account of  
... that would represent

...  
... from the company and the capital of

...  
... for the company and the capital of

... of the company, but for the



shareholders received 66 and two-thirds per cent.  
in preferred stock taking up \$200,000, and 100 per  
cent. in bonds Series D, which took \$300,000 worth of  
bonds, so there is 66 and two-thirds per cent.

5 And what is this \$4,200 capital stock? A. I don't  
know anything more about that than is shown there.

BY THE COMMISSIONER: Q. I was wondering, in  
all those cases does it refer only to ordinary shares  
and no preferred?

10 MR. McRUER: It is the total capital stock.

We will see when we come to the Minutes of the Colonial  
Bleaching and Printing Company whether this \$4,200  
is preferred or not? A. It looks to me as if

15 someone had accepted it entirely in preferred and  
not in bonds.

A. Oh yes, that is correct, I remember reading it.

A. Yes.

20 THE COMMISSIONER: Oh yes, he got it all in  
preferred stock.

THE WITNESS: Yes, he took entirely preferred  
stock instead of so much preferred and so many bonds.

25 MR. McRUER: Yes, 60 per cent. of preferred stock,  
whereas they got 166 and two-thirds per cent. dis-  
tributed between preferred stock and bonds.

THE WITNESS: That seems to be the answer.

Q. Then there was a bond issue of \$47,000.

30 That again was not assumed but apparently exchanged  
bond for bond? A. Exactly.

Investigation

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and shareholders received 66 and two-thirds per cent

of the total assets of the company, and the

total, in bond Series D, which took \$250,000

bonds, so there is 66 and two-thirds per cent.

And what is this \$2,800 capital stock?

Know anything more about that than is shown there

By the Court? I think it is something, is

all those cases does it never only to ordinary

and no preferred?

Mr. Monahan: It is the total capital stock

we will see when we come to the minutes of the

meeting and printing company whether this \$2,800

is preferred or not?

A. It looks to me as if

someone had accepted it entirely in preferred and

not in bonds.

A. Oh yes, that is correct, I remember reading

A. Yes.

The Court: On yes, no not at all in

preferred.

THE COURT: Yes, no not at all in

stock instead of so much preferred and so many bonds.

Mr. Monahan: Yes, 66 per cent. of preferred at

the time that the two-thirds per cent.

distributed between preferred stock and bonds.

Mr. Monahan: That seems to be the correct.

. Then there was bond issue of \$25,000.

That again was not assumed but actually exchanged

bonds for bonds.

THE COURT: Yes.



THE COMMISSIONER: You have that shown there,  
Mr. McRuer?

MR. MCRUER: Yes. That makes up the \$209,000  
that were exchanged. You will bring me some  
extra copies of this in the morning?

THE WITNESS: Yes.

THE COMMISSIONER: Then we will adjourn until  
10 o'clock tomorrow morning.

-- The Commission adjourned at 5 P.M. Wednesday,  
3rd June, 1936, to resume on Thursday, 4th June,  
1936, at 10 A.M.

1914-1915

The Commission: You have that shown there,

Mr. Roberts?

MR. ROBERTS: Yes. That makes up the \$200,000

that were expended. You will bring no more

extra copies of this in the morning?

MR. ROBERTS: Yes.

THE COMMISSIONER: Then we will adjourn until

10 o'clock tomorrow morning.

-- The Commission adjourned at 5 p.m. Wednesday,  
3rd June, 1914, to reconvene on Thursday, 4th June,  
1914, at 10 a.m.

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5617

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

FORTY - SECOND DAY

(June 4th, 1936)

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100-1000-1000

Commissioner

100-1000-1000

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100-1000-1000

(June 4th, 1950)

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5618

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. THURGEON,

Commissioner,

A.S. Whiteley, Secretary,

A p p e a r a n c e s :J.C. McRuer, K.C. and )  
E. Beauregard, K.C. ) Commission Counsel,J.P. Lanctot, K.C. For Special Committee of  
Primary Textile Industries,C.G. Heward, K.C. )  
Aime Geoffrion, K.C. ) For Dominion Textile Co.  
and ) and Montreal Cottons,  
C.T. Ballantyne, ) Company, Limited.

S.G. Dixon, K.C. For Courtaulds Limited,

L.A. Forsyth, K.C. For Canadian Celanese Ltd.  
and Canadian Silk Products  
Limited.

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1910

STATEMENT OF ACCOUNTS

For the year ended 31st December 1910

Dr. To Balance Forward

By Balance Forward

RECEIPTS

By Balance Forward

For Special Committee of

For Special Committee of

For Dominion Textile Co.  
 and Dominion Cotton Co.  
 Company, Limited.

By Dominion Textile Co.  
 and Dominion Cotton Co.  
 Company, Limited.

For Dominion Textile Co.

By Dominion Textile Co.

For Dominion Cotton Co.  
 and Dominion Textile Co.  
 Company, Limited.

By Dominion Cotton Co.  
 and Dominion Textile Co.  
 Company, Limited.

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-5619

Montreal, P. Quebec,  
Thursday, June 4, 1936.

--The Commission resumed at 10 A.M.

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WALTER EVERSFIELD, recalledEXAMINED BY MR. MORIER:

On page 6 of this Financial History, Exhibit No. 329, that we were dealing with last night there is a reference to a Syndicate that apparently was antecedent to the formation of the Dominion Textile Company that reads as follows:

" At this stage, early in 1905, a group of men prominent in the business world of Montreal at this time, and including some of the directors of these four companies, formed a syndicate for the purpose of making an offer to the shareholders of all the companies. The sum of \$1,000,000.00, a large amount in those days, was deposited with The Royal Trust Company as tangible evidence of good faith and ability to carry out the undertaking. The offer consisted broadly of a proposal to form a new company whose securities would be exchanged in certain agreed-upon proportions for the capital stocks of the four existing companies. The new company subsequently emerged as Dominion Textile Co. Limited, whose securities were exchanged through the medium of The Royal Trust Company, as shown in the schedule on page 7.

-1418-

THE UNITED STATES OF AMERICA

IN SENATE

January 10, 1906

ON REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE

RELATIVE TO THE LANDS BELONGING TO THE UNITED STATES

IN RESPONSE TO A RESOLUTION PASSED BY THE SENATE

APRIL 10, 1905, CONCERNING THE LANDS BELONGING TO THE UNITED STATES

AND THE PROCEEDINGS THEREON

AND THE PROCEEDINGS THEREON

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Eversfield

Individual members of the Syndicate undertook to purchase five thousand additional shares Preferred Stock Dominion Textile Co. Limited, at par of \$100.00 pershare, calling for \$500,000.00 cash, and fifty thousand shares Common Stock of \$100.00 par value, at \$10.00 per share, requiring a further \$500,000.00 to paid into the new Company. The fifty thousand common shares constituted the total issue at that time, and no further common shares were issued until seventeen years later, in 1922."

That is correct, the \$5,000,000.00 in Common Stock consisting of 50,000 shares of \$100.00 each was the total issue of common stock up until 1922 when another reorganization took place? A. Yes, that is correct.

MR. McRUER: All right, if you would just step down for a few moments I want to call a representative of the Royal Trust Company to produce the original Syndicate Agreement and some other documents in reference to the organization Syndicate.

My friend, Mr. Geoffrion, points out that there was an issue of common stock in 1922 but the reorganization that took place was a little later. I think it was later in that year, was not it?

MR. GORDON: It was a little while later.

MR. McRUER: Well, we will come to that later. I will call Mr. Reid.





JOHN REID, Sworn

EXAMINED BY MR. McRUER:

Q. You are with the Royal Trust Company?

5 A. Yes, sir.

Q. In what capacity?

A. I am manager  
of the Stock Transfer Department.

Q. And you have been duly subpoenaed to produce certain records that are in possession of the  
10 Royal Trust Company referring to the Syndicate that was formed with a view to re-organizing the Dominion Textile Company, Limited in 1905? A. Yes.

Q. And have you those records with you? A. Yes,  
I have them here.

15 Q. Now, you first produced what purports to be a Syndicate Agreement or it is, rather, in the form of a receipt for money? A. It is a receipt.

Q. And sets out the terms on which the money was received? A. Yes sir.

20 THE COMMISSIONER: Are you filing this.

MR. McRUER: I think I had better let them have the original of this back. I will have it copied by the court reporter and filed as an exhibit.

EXHIBIT 330: Copy of Syndicate Agreement.

25 MR. McRUER: The date is torn out? The only word that appears is "January,".

"Received from the following gentlemen..."  
and a word torn out which apparently was 'who'.

30 "...have constituted themselves a Syndicate for the ..."

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and I think the next word is 'purpose'. It is  
'pu' and the rest torn out.

"...of incorporating the Dominion Textile Co.,  
Limited, the sum of \$1,000,000.00, which said  
sum has been contributed by them as follows

|                 |          |                |          |
|-----------------|----------|----------------|----------|
| David Yuile,    | \$90,000 | J.P.Black      | \$90,000 |
| G. A. Grier,    | 90,000   | D.Williamson   | 90,000   |
| C. H. Gordon,   | 100,000  | Hon.J.J.Forget | 100,000  |
| Rudolphe Forget | 40,000   | H.V.Meredith   | 100,000  |
| H. S. Holt      | 100,000  | S. Carsley     | 50,000   |
| Hon.Robb.Mackay | 50,000   | David Morrice  | 40,000   |
| F.C.Henshaw     | 20,000   | James Rodger   | 20,000   |
| Geo.Caverhill   | 10,000   | John Baillie   | 10,000   |

The sum of one million dollars (\$1,000,000)  
is to be held by us in trust for the members of  
the Syndicate, in the proportion to their  
respective contributions as above set forth until  
the 1st February, 1905.

In the event of a majority of the shares of  
each of the following Cotton Companies, namely,

The Dominion Cotton Mills Company, Limited,

The Merchants' Cotton Company, Limited,

The Colonial Bleaching & Printing Company,  
Limited,

The Montmorency Cotton Mills Company,  
Limited, being transferred to us for the

benefit of the said Syndicate, by the first of  
February, 1905, in accordance with the provisions  
of our circular letters addressed to the share-  
holders of the said Cotton Companies, bearing

and I think the word is 'purpose'. It is

'you' and the rest of it.

"...on the morning the morning of the 10th of

January, the sum of \$1,000,000.00, which was

and has been contributed by the following

persons:

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00

J. M. Smith, \$1,000,000.00



5 dates 16th and 29th December, 1904, we are instructed by the said Syndicate to dispose of the said sum of one million dollars (\$1,000,000) as follows, namely:-

1. To pay to the said DOMINION TEXTILE COMPANY, LIMITED, the sum of five hundred thousand dollars, (\$500,000), in exchange for five hundred thousand dollars (\$500,000) of its paid up preferred stock at par.

10 2. To pay to the DOMINION TEXTILE COMPANY, LIMITED, the balance of five hundred thousand dollars, (\$500,000), and to transfer to the DOMINION TEXTILE COMPANY, LIMITED,

15 15,200 shares of the Dominion Cotton Mills Company, Limited,

7,560 shares of the Merchants' Cotton Company, Limited,

20 5,005 shares of the Montmorency Cotton Mills Company, Limited, and

25 1,500 shares of the Colonial Bleaching and Printing Company, Limited, upon the condition, however, that the said DOMINION TEXTILE COMPANY, LIMITED, shall forthwith retransfer to us all the shares so received by it, to be held by us as collateral security for the payment of the bonds of the said DOMINION TEXTILE COMPANY, LIMITED.

30 As a consideration for the foregoing, the said DOMINION TEXTILE COMPANY, LIMITED, shall

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after 1954 and 1955 December, 1954, to 1955

instructed by the said system to 1955 of

the said sum of one million dollars (\$1,000,000)

as follows, namely:-

1. To pay to the said system

the sum of one million dollars (\$1,000,000)

in 1955, the sum of one million dollars (\$1,000,000)

five hundred thousand dollars (\$500,000) or 1955

and in 1956, the sum of one million dollars (\$1,000,000)

2. To pay to the said system

the sum of one million dollars (\$1,000,000)

in 1955, the sum of one million dollars (\$1,000,000)

in 1956, the sum of one million dollars (\$1,000,000)

3. To pay to the said system

the sum of one million dollars (\$1,000,000)

in 1955, the sum of one million dollars (\$1,000,000)

in 1956, the sum of one million dollars (\$1,000,000)

4. To pay to the said system

the sum of one million dollars (\$1,000,000)

in 1955, the sum of one million dollars (\$1,000,000)

in 1956, the sum of one million dollars (\$1,000,000)

in 1957, the sum of one million dollars (\$1,000,000)

in 1958, the sum of one million dollars (\$1,000,000)

in 1959, the sum of one million dollars (\$1,000,000)

in 1960, the sum of one million dollars (\$1,000,000)

in 1961, the sum of one million dollars (\$1,000,000)

in 1962, the sum of one million dollars (\$1,000,000)

in 1963, the sum of one million dollars (\$1,000,000)

in 1964, the sum of one million dollars (\$1,000,000)



5 issue and allot to the Syndicate, or its  
nominees, five million dollars (\$5,000,000)  
of its common stock, fully paid up and non-  
assessable, and one million, five hundred and  
thirty-four thousand five hundred dollars  
(\$1,534,500) of its bonds, and seven hundred  
and eighteen thousand seven hundred dollars  
(\$718,700) of its preferred stock, fully paid  
10 up and non-assessable."

By way of explanation, the bonds and preferred  
stock were the securities that were used according  
to schedule 2 to pay off the shareholders of the  
15 companies and to exchange for bonds where bonds were  
exchanged. I think that is correct.

"In the event of the said Syndicate trans-  
ferring to the said DOMINION TEXTILE COMPANY,  
LIMITED, a larger amount of shares in each or  
20 any of the said four Cotton Companies, than  
above mentioned, then the said Syndicate shall  
be entitled to receive an additional amount of  
bonds and preferred stock of the said DOMINION  
TEXTILE COMPANY, LIMITED, proportionate to the  
25 additional number of shares so transferred by it  
them.

"With the exception of the five hundred  
thousand dollars (\$500,000) of preferred  
30 stock subscribed and paid for by the Syndicate

100-100000

...and also to the ...  
...five million dollars (\$5,000,000)  
...of its common stock, fully paid up and non-  
...associates, and one million, five hundred and

...and non-associates.  
...of 1.5 million (\$1,500,000) of 1.5 percent, and seven hundred  
...and ...  
...to the ...

My way of explanation, the bonds and preferred  
stock were the securities that were used according  
to Article 2 to pay off the shareholders of the  
companies and to exchange for bonds whose bonds were  
changed. I think that is correct.

"In the event of the ...  
...to the said ...  
...a larger amount of money in each of  
...of the said four ... companies, then  
...  
...be entitled to receive an additional amount of  
bonds and preferred stock of the said ...  
...to the ...  
...additional ...  
fact.

"With the exception of the five hundred  
thousand dollars (\$500,000) of ...  
...and ...



as above provided, the issue of preferred stock and bonds shall be limited to the amount necessary to pay for the shares in the four above mentioned Companies.

"So long as the shares of the said four Cotton Companies, or any of them, thus acquired by the DOMINION TEXTILE COMPANY, LIMITED, are held by us, it is understood that we will give an irrevocable power of attorney to such person or persons as may be named from time to time by the Board of Directors of the said DOMINION TEXTILE COMPANY, LIMITED, to vote on all such shares at all shareholders' meetings of the said four Cotton Companies, or any of them.

"In the event of the majority of shares in each of the aforesaid Cotton Companies not having been transferred to us for the purposes of the Syndicate as aforesaid, by the first day of February, 1905, we will hold such shares as are transferred to us until the fifteenth of March, 1905, unless directed to return them to the original owners by the majority in value of the contributors to the said Syndicate fund of one million dollars (\$1,000,000), and, in the event of the said shares being so returned, we will refund to the contributors to the said

as above provided, the issue of preferred  
stock and bonds shall be limited to the  
amount necessary to pay for the shares in the  
four above mentioned companies.  
"as long as the shares of the said four  
companies, or any of them, shall be  
held by the said four companies,  
and, we hold by us, it is understood that  
we will give an irrevocable power of attorney  
to such person or persons as may be named from  
time to time by the Board of Directors of the  
said four companies, or any of them, to  
vote on all such shares at all shareholders'  
meetings of the said four companies, or  
any of them.  
"In the event of the majority of shares  
in each of the above mentioned companies not  
having been transferred to us for the purpose  
of the purchase as aforesaid, by the first  
day of February, 1905, we will hold such shares  
as are transferred to us until the fifteenth  
day of March, 1905, unless directed to return them  
to the original owners by the majority in value  
of the contributors to the said syndicate fund  
of one million dollars (\$1,000,000), and, in  
the event of the said shares being so returned,  
we will refund to the contributors to the said

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syndicate fund the amount of their respective contributions thereto.

THE ROYAL TRUST COMPANY,  
"H. Robertson" Manager  
On behalf of the Syndicate  
"David Yuille" Chairman

Signed in Duplicate "

Q. Now then, you have the copies of the circular letters that were sent out to the shareholders, have you?  
A. Yes, sir.

Q. The next Exhibit will be a copy of a circular dated 29th December, 1904 to the shareholders of the---

THE COMMISSIONER: Issued by whom?

MR. McRUER: Issued by the Royal Trust Company to the shareholders of the Colonial Bleaching and Printing Company, Limited.

"Dear Sirs:

The Royal Trust Company is authorized to make the following offer . . . . .

THE COMMISSIONER: I suppose a similar letter went to all?

MR. McRUER: Different terms to different companies because different proportion of stock. The letter sent to the Colonial Bleaching and Printing Co., Limited:

"Dear Sirs,

The Royal Trust Company is authorised to make the following offer on behalf of a Syndicate, of

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synthetic hand the amount of their respective

synthetic hand the amount of their respective

synthetic hand the amount of their respective

on behalf of the syndicate

on behalf of the syndicate

Signed in Duplicate

Now then, you have the copies of the circular  
letters that were sent out to the shareholders, have

Yes, sir.

The next exhibit will be a copy of a

document dated 28th December, 1904 to the shareholders

of the---

document dated 28th December, 1904 to the shareholders

MR. MONROE: Issued by the Royal Trust Company

to the shareholders of the Colonial Banking and

Printing Company, Limited.

"Dear Sirs:

The Royal Trust Company is authorized

to make the following offer . . .

THE GENERAL MANAGER: I suppose a similar letter

went to all?

MR. MONROE: Different terms to different companies

because different proportion of stock. The letter

went to the Colonial Banking and Printing Co.,

Limited:

"Dear Sirs:

The Royal Trust Company is authorized to make

the following offer on behalf of a syndicate, of



which Mr. David Yuile is Chairman, which has been formed for the purpose of acquiring capital stock in the following companies:-

The Dominion Cotton Mills Company, Limited  
The Merchants Cotton Company, Limited,  
The Montmorency Cotton Mills Company, Limited,  
The Colonial Bleaching & Printing Company, Limited.

In accordance with the above authority, we offer to purchase shares of your Company, namely, The Colonial Bleaching & Printing Company, Limited, at 166-2/3% of their par value, and agree to pay for them as follows:-

three-fifths of the purchase price in 6% Bonds,  
and two-fifths in 7% preferred stock of the new Company to be formed.

Certificates for fractional parts of shares and Bonds will be granted by the undersigned, in order that the same may be adjusted between the shareholders.

The total bond issue of the new Company shall not exceed an aggregate amount of \$4,000,000. The Company reserves the right, in addition to the above bond issue, to replace the existing bond issues of the Dominion Cotton Mills Company, Limited, and the Montmorency Cotton Mills Company, Limited, with bonds having like priority as regards the property of these respective companies and ranking equally

which Mr. David White is Chairman, which has been

in the following companies:-

The Dominion Cotton Mills Company, Limited

The Dominion Paper Mills Company, Limited

The Colonial Bleaching & Finishing Company, Limited

in accordance with the above authority, we do

Colonial Bleaching & Finishing Company, Limited

at 100-2/3 of their net value, and agree to pay

three-fifths of the purchase price in 60 days,

and the balance in 12 months.

Certificates for fractional parts of shares

and bonds will be granted by the undersigned, in

order that the same may be adjusted between the

shareholders.

The total bond issue of the new company shall

not exceed an aggregate amount of \$4,000,000. The

Company reserves the right, in addition to the

above bond issue, to replace the existing bond issue

of the Dominion Cotton Mills Company, Limited, and

the Dominion Paper Mills Company, Limited, with

bonds having like priority as regards the property

of these two active companies and holding equally



with this issue as regards the general assets of the new company."

And it goes on to provide for the terms of the Trust Deed. I do not think I need read this at the moment. They will be copied into the copy that will be filed.

Then Clause 4 on page 3:

"The terms and provisions of the trust deed shall be subject to the approval of Mr. W. J. White, K.C."

The bonds herein mentioned will be 6% twenty year bonds, redeemable any time at the new Company's option at a premium of 5%. The Preferred Stock will be preferred both as to capital and dividends, which dividends will be non-cumulative.

The Syndicate shall subscribe and pay for at par preferred shares in the new Company to an amount of \$500,000.

The Syndicate will also invest \$500,000 in the common stock of the new Company.

The said payments on preferred and common stock will be made from the sum of \$1,000,000 deposited with the Royal Trust Company upon the organization of the new Company.

All shareholders wishing to avail themselves of the foregoing offer, are requested to deposit their stock with us in order to receive in exchange therefor, the securities above mentioned, as soon as the transaction can be given effect.

with this issue as regards the general assets of  
the new company.  
And it goes on to provide for the terms of the Trust  
Deed. I do not think I need read this at the moment.  
They will be copied into the copy that will be filed.  
Then Clause 4 on page 3:  
"The terms and provisions of the Trust Deed  
shall be subject to the approval of Mr. A. L.  
The bonds herein mentioned will be in twenty  
year bonds, redeemable any time at the new com-  
pany's option at a premium of 10% and interest  
Stock will be preferred both as to capital and  
dividends, which dividends will be non-cumulative.  
The dividends may be paid in cash or in  
any preferred shares in the new company to an  
amount of \$500,000.  
The Syndicate will also invest \$500,000 in  
the common stock of the new company.  
The said payments on preferred and common stock  
will be made from the sum of \$1,000,000 deposited  
with the Royal Trust Company upon the organization  
of the new company.  
All shareholders wishing to avail themselves  
of the foregoing offer, are requested to forward  
their stock with us in order to receive in exchange  
the new shares.  
as the transaction can be given effect.

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It is understood that the syndicate shall withdraw from the purchase of the stock deposited should it not be able to acquire <sup>a</sup> majority of the stock in each of the aforesaid companies within ninety days from this date, and in that event all of the said shares shall be re-transferred to the present holders in the proportion of their respective holdings.

The dividend of 3% declared and payable the 15th January, 1905, shall be paid to the present shareholders."

EXHIBIT 331: Circular letter to the shareholders of Colonial Bleaching & Printing Company, Limited, dated 29th December, 1904.

MR. McRUER: Q. Then you produce a copy of a circular letter sent to the shareholders of The Merchants' Cotton Co., Limited? A. Yes.

This is a copy of a circular letter sent to the shareholders of the Merchants' Cotton Company, the second paragraph:

"In accordance with the above authority we offer to purchase shares of your Company, namely, The Merchants' Cotton Company, Limited, at 85% of their par value, and agree to pay for them as follows:- 68-2/3% of the par value in 6% Bonds and 16-1/3% of the par value in 7% preferred stock of a new Company to be formed."

It is understood that the syndicate shall  
... of the stock ...  
... should be ...  
... each of the ...  
... ninety days from this date, and in that event all  
of the said shares shall be re-transferred to the  
present holders in the proportion of their  
respective holdings.

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Mr. McArthur: ... Then you propose a copy of a  
transfer letter sent to the shareholders of the  
A. Lee.

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The rest I think of the information contained in the circular letter is similar to that sent out to the Colonial Bleaching & Printing Company, only made appropriate to the terms of this offer.

MR. REARD: What is the date of the letter?

MR. McRUER: This is dated 29th December, 1904.

There is also another paragraph:

"The issue of Preferred Stock of such Company will be limited to the amount required to pay for the stock to be bought in the four above mentioned Companies plus \$500,000 which will be subscribed for at par by the Syndicate.

The Syndicate will also invest \$500,000 in the common Stock of the new Company."

And attached to this is a letter to the shareholders of The Merchants' Cotton Co. signed by James Crathern, President. Robert MacKay, Vice-President. R. B. Angus, J. P. Cleghorn, John Beattie, Jonathan Hodgson, A. A. Ayer.

THE COMMISSIONER: What Company is that?

MR. McRUER: This is The Merchants' Cotton Co. It apparently accompanies this circular letter to the shareholders. It is a message from the officers to their shareholders.

"With reference to the annexed offer of The Royal Trust Company, we have carefully considered the same in all its bearings, and have come to the conclusion that it is a reasonable

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The rest I think of the information contained  
in the circular letter is similar to what sent out  
to the local Bismarck & Co. only.  
made appropriate to the terms of this order.

Mr. McKim: What is the date of the letter?  
Mr. McKim: This is dated 28th December, 1904.

There is also another paragraph:  
"The issue of preferred stock of such

company will be limited to the amount required  
to pay for the stock to be bought in the form  
above mentioned companies plus \$500,000 which  
will be subscribed for at par by the syndicate.  
The syndicate will also invest \$500,000

in the common stock of the new company."  
And attached to this is a letter to the man-

agement of the company, signed by the  
syndicate, dated 28th December, 1904.  
H. B. Thorne, J. F. Cleghorn, John Beattie, Jonathan  
Hogson, & A. Ayer.

The Committee of the West Company is hereby  
Mr. McKim: This is the document, dated 30.

It is a very important document and should be  
the shareholders. It is a message from the officer

"With reference to the annexed offer of

The Royal Trust Company, we have carefully con-  
sidered the same in all its bearings, and have  
come to the conclusion that it is a reasonable



offer, backed by responsible parties, and we consider its acceptance to be in the best interests of our shareholders.

We have therefore, as individual shareholders accepted same and recommend all our shareholders to do likewise."

That will be annexed to Exhibit 332.

EXHIBIT 332: Circular letter to the shareholders of The Merchants' Cotton Co. Limited, dated 29th December, 1904, and annexed thereto letter from the officers of the Company.

MR. McRUER: Q. Could you tell me by reference to the Syndicate Agreement whether any of these gentlemen who signed this recommending it to their shareholders were members of the Syndicate?

A. This is original Syndicate Agreement signed by David Yuile.

Q. Take these men - James Crathern, was he a member of the Syndicate? A. Not so far as I can see, sir.

Q. Robert MacKay? A. Yes.

Q. He was a member of the Syndicate? A. Yes, sir.

Q. R. B. Angus? A. No, sir.

Q. J. P. Cleghorn, Beattie, Ayer and Hodgson - I think Robert MacKay was the only one? A. Yes.

Q. Then there is a circular letter dated 29th December, 1904, to the Shareholders of the Dominion

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offer, backed by responsible parties, and we  
consider it a privilege to be in the best  
interests of our shareholders.

We have therefore, as individual share-  
holders accepted same and recommend all our  
shareholders to do likewise."

That will be annexed to Exhibit 382.

Exhibit 382: Circular letter to the  
shareholders of the  
Merchants' Co. Ltd. Co.  
limited, dated 19th  
December, 1904, and annexed  
thereto letter from the  
officers of the Company.

MR. MURPHY: Q. Could you tell me by reference

to the Synthesis Agreement whether any of these  
gentlemen who signed this recommending it to their  
shareholders were members of the Synthesis?  
A. This is original Synthesis Agreement signed by

David Yaffe.

Q. What was the result of this?

A member of the Synthesis? A. Not so far as

I can see, sir.

Q. What was the result of this?

A. He was a member of the Synthesis? A. Yes, sir.

A. H. B. Angus? A. No, sir.

A. J. P. O'Connell, Beattie, Ayer and Hodgson -

I think Robert Angus was the only one? A. Yes.

Then there is a circular letter dated 29th

December, 1904, to the shareholders of the Dominion



Cotton Mills Company, Limited - that is correct?

A. Yes sir.

EXHIBIT 333: Circular letter dated 29th  
December, 1904, to the  
Shareholders of the Dominion  
Cotton Mills Company, Limited.

MR. McRUER: This is generally similar, my Lord,  
to the other circular letter.

THE COMMISSIONER: It sets out the scheme, I  
suppose?

MR. McRUER: Yes. The terms to the Dominion  
Cotton Mills Company I will just read the paragraph:

"In accordance with the above authority  
we offer to purchase shares of your Company,  
namely, The Dominion Cotton Mills Company, Limited,  
at 50% of their par value, and agree to pay for  
them as follows:- 50% of the purchase price in  
6% Bonds and 50% in 7% Preferred Stock of a new  
Company to be formed."

And then there is attached to this a letter to the  
shareholders signed by L. J. Forget, President, S. H.  
Ewing, C. E. Gault, S. Carsley, A. B. Mole and J.  
Grenier. It is dated 16th December, 1904.

THE COMMISSIONER: Those are the officers of the  
Dominion Company?

MR. McRUER: L. J. Forget signs as President.

"With reference to the annexed offer of  
The Royal Trust Company, we have carefully con-  
sidered same in all its bearings, and have come

Gordon Mills Company, Limited - that is correct?

A. Yes sir.

December, 1904, to the  
Shareholders of the Dominion  
Gordon Mills Company, Limited.

Mr. Chairman: This is generally similar, my Lord,

to the other circular letter.

It sets out the scheme,

summed up

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Mr. Chairman: Yes. The terms to the Dominion

Gordon Mills Company I will just read the substance:

"In accordance with the above authority

we offer to purchase shares of your company,

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namely, The Dominion Cotton Mills Company, Limited,

at 50% of their par value, and agree to pay for

them as follows: 50% of the purchase price in

of bonds and 50% in preferred stock of a new

company to be formed."

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and then there is attached to this a letter to the

shareholders signed by L. J. Forrest, President, &c. &c.

being, C. A. Gault, J. Gault, &c. &c. &c. &c. &c.

Greater. It is dated 14th March, 1904.

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The Board of Directors: There are two copies of the

Circular letter

to be sent to the shareholders of the company.

"With reference to the annexed copy of

the report of the company, I have to say that

it is in all its bearings, and I have some

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to the conclusion that it is a reasonable offer, backed by responsible parties, and we consider its acceptance in the best interests of our shareholders.

We have, therefore, as individual shareholders, accepted same and recommend all our shareholders to do the same."

Q. Could you tell me by reference to the Syndicate agreement whether any of those gentlemen were members of the Syndicate - L. J. Forget?

A. No, I do not see his name.

Q. What is this? A. This is the same letter addressed to us by the members of the Syndicate.

Q. S. Carsley is the only one. My recollection was that Forget's name? A. There is R. Forget, not L. J.

Q. There was two Forgets on the first one we read.

MR. GEOFFRION: Both on.

THE WITNESS: I beg your pardon, this is the signature of L. J. Forget.

MR. McRUER: Q. Both L. J. Forget and S. Carsley?

A. Yes.

MR. GEOFFRION: Two members of the Syndicate on that Board.

MR. McRUER: Q. And then you produce also a circular letter to the shareholders of The Montmorency Cotton Mills Co., Limited? A. Yes sir.

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to the satisfaction that it is a reasonable  
other, based by responsibility as they, and we  
consider the appearance in the best interests  
of our corporation.

the fact, however, that the  
statement, and the fact that the statement is not  
entirely correct to be the same."

1. Could you tell us by reference to the  
Synagogue agreement whether any of those gentlemen  
were members of the Synagogue - A. A. (forget)  
2. No, I do not see his name.

3. That is true.  
4. That is true.  
letter addressed to me by the members of the Synagogue

5. I forget is the only one. It is possible  
that we that forget's name?  
6. There is  
7. Forget, not A. A.

8. There was two forgets on the first one we  
read.

9. I forget: both are.  
10. I forget: I do not know, but I am  
not sure.

11. I forget: I do not know, but I am  
not sure.

12. I forget: I do not know, but I am  
not sure.

13. I forget: I do not know, but I am  
not sure.

14. I forget: I do not know, but I am  
not sure.



EXHIBIT 334: Circular letter, dated 16th  
December, 1904, to the  
Shareholders of The  
Montmorency Cotton Mills  
Co., Limited.

5 MR. McRUER: This sets out the terms.

(Page 5642 follows)

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Witnessed by me, the  
Registrar, 1901, to the  
effect of the  
company to be called  
the "Canada"  
the "Canada"

Witnessed by me, the

Registrar, 1901, to the

(The 1901 follows)

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4. Well then, you produce four circular letters to the shareholders of the same companies, which refer to the previous one, and I will read the one directed to the shareholders of the Dominion Cotton Mills, Limited.

THE COMMISSIONER: These are circular letters again from the Royal Trust Company?

MR. McRUER: Yes, my lord, from the Royal Trust Company to the shareholders of the Dominion Cotton Mills, Limited, dated 7th January, 1905.

MR. HOWARD: Well, did you file the four circular letters of the 29th December?

MR. McRUER: Yes, up to Exhibit 334.

MR. GEOFFRION: Montmorency is not given.  
Oh yes.

MR. BALLANTYNE: Yes.

THE COMMISSIONER: We have, so far, four circular letters to each of these companies, and this is something else, is it?

MR. McRUER: Yes, my lord. This is dated 27th January, 1905.

THE COMMISSIONER: This is a second circular letter.

MR. McRUER: Yes, my lord.

THE COMMISSIONER: From the Royal Trust Company to these same companies?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: You are putting them all in together?

... sell them, you reduce four circular letters  
to the shareholders of the same companies, which  
refer to the previous one, and I will send the one  
directed to the shareholders of the Dominion Cotton  
Mill, Limited.  
The Chairman: There are about 17 letters  
again from the Royal Trust Company?  
Mr. Chairman: Yes, my lord, from the Royal Trust  
Company to the shareholders of the Dominion Cotton  
Mill, Limited, dated 10th January, 1905.  
Mr. Chairman: Well, did you give four circular  
letters of the same tenor?  
Mr. Chairman: Yes, up to a certain point.  
Mr. Chairman: How many is not given.  
...  
The Chairman: As there are four, four of them  
relating to each of these companies, and this is a  
very nice, is it?  
Mr. Chairman: Yes, my lord. This is correct.  
January, 1905.  
The Chairman: This is a second circular letter.  
Mr. Chairman: Yes, my lord.  
The Chairman: There are about 17 letters  
to these companies.  
Mr. Chairman: Yes, my lord.  
The Chairman: ...

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MR. McRUER: Yes, my lord.

THE COMMISSIONER: Then that will be Exhibit 335.

EXHIBIT 335: Four circular letters from  
Royal Trust Co. dated 27th  
January, 1905.

MR. McRUER: The letter to the shareholders of  
the Dominion Cotton Mills Company, Limited, reads as  
follows:

"Dear Sirs:

Referring to our circular letter of the 20th  
December, 1904, I beg to advise you that the  
Syndicate of which Mr. David Yuile is Chairman  
has been dissolved, it having turned over to us,  
in Trust for the Dominion Textile Company,  
Limited, all the shares of your Company's Stock  
which were acquired by this Company under the terms  
of our said Circular Letter, and consequently  
our offer contained therein is hereby withdrawn.

On behalf of the Dominion Textile Company  
Limited, we hereby advise you that it, the said  
Textile Company, has authorized us to continue  
the offer to purchase your Shares at 50% of their  
par value, and pay for them as follows:

50% of the purchase price in 6% Bonds, and  
50% in 7% Preferred Stock of their Company.

This offer is to remain open until the close of  
business on the afternoon of Wednesday the 8th  
day of February, proximo, after which date no  
further stock is to be accepted by us.

THE COMPANY'S... That this will be binding...

...to the shareholders of  
the Dominion Cotton Mills Company, Limited, Toronto

relates:

"Dear Sirs:

Reference to our previous letter of the 10th

November, 1906, I beg to advise you that the

syndicate of which Mr. David Yule is Chairman

has been dissolved, its assets turned over to us,

in trust for the Dominion Textile Company,

Limited, all the shares of your company's stock

which were acquired by this company under the terms

of our said previous letter, and consequently

our offer contained therein is hereby withdrawn.

On behalf of the Dominion Textile Company

Limited, we hereby advise you that if, the said

Textile Company, has authorized us to continue

the offer to purchase your shares at 50¢ of their

par value, and pay for them as follows:

50¢ of the purchase price in 50 bonds, and

50¢ in 5% preferred stock of the company.

This offer is to remain open until the close of

business on the afternoon of Wednesday, the 10th

of December, 1906, when it will be closed.

Yours very truly,

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I may say that 80.63 per cent. of the Stock of your Company has been already transferred under the terms of the Textile Company's offer."

5 And the circular letter to the Shareholders of the Colonial & Bleaching Company contains an offer in the same terms as the previous one, and states:

"We may say that 77.84% of the Stock of your Company has already been transferred under the terms of the Textile Company's offer."

10 And the letter to the Merchants Cotton Company states:

"We may say that 94.12% of the Stock of your Company has already been transferred under the terms of the Textile Company's offer."

15 And the Letter to the Montmorency Cotton Company states:

"We may say that 93.63% of the stock of your Company has already been transferred under the terms of the Textile Company's offer."

20 Now, you mentioned that you had the original syndicate agreement. I thought that document we put in was the syndicate agreement; apparently it was a receipt for the money.

A. Yes.

25 Q. Well then, you produce a document, dated the 27th of January, 1903, which is addressed to the Royal Trust Company:

30 "We, the undersigned, members of the Syndicate in whose behalf you have obtained transfers of shares in the Dominion Cotton Mills Company,





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5 Merchants Cotton Company, Limited, Montmorency  
Cotton Mills Company, and Colonial Bleaching &  
10 Printing Company, Limited, hereby request and  
authorize you, acting as such trustee in our  
behalf to make the offer to the Dominion Textile  
Company, Limited, embodied in the accompanying  
draft letter, whereby the sum of \$1,000,000, which  
has been placed by the said Syndicate to your  
15 credit, and the said Shares which have been  
transferred to you in the said four cotton  
companies may be acquired by the said Dominion  
Textile Company, Limited, upon the terms and  
conditions set forth in the enclosed draft letter."  
15 And the signatures are, I think, are the same as he  
read out before as members of the Syndicate.

THE COMMISSIONER: Well, that will be Exhibit 336.

20 EXHIBIT 336: Letter dated 27th January, 1905,  
from the Syndicate to the Royal  
Trust Company, authorizing offer  
to sell shares.

THE COMMISSIONER: What date is that, Mr. McRuer?

MR. McRUER: 27th January, 1905, my lord.

25 And attached to it, my lord, is the letter to the  
Dominion Textile Company Limited, dated the same date,  
27th January, 1905.

30 The rest of this correspondence, my lord, appears  
to be more or less routine correspondence., and I do  
not think that I need to encumber the record with it.

. Now, I asked for a circular letter that was sent  
to the shareholders of the Montreal Cotton Company,

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Limited? A. Yes, here it is.

Q. I think we had better have the whole story about this. The witness produces a letter signed by C.E. Hanna "For the Syndicate", dated 17th August, 1905.

THE COMMISSIONER: To whom?

MR. McRUER: To the Royal Trust Company. This is another syndicate.

THE COMMISSIONER: Oh, a different syndicate?

MR. McRUER: It is a different syndicate, I take it.

THE WITNESS: I have no knowledge of that, sir.

MR. McRUER: This was in respect to the Montreal Cottons Company, Limited. Your lordship will recollect that we had a reference to a letter that had been sent out by the Montreal Trust Company to the shareholders of the Montreal Cottons Company?

THE COMMISSIONER: Oh, yes.

MR. McRUER: When we were reading the Minutes of the Montreal Cottons Company.

THE COMMISSIONER: An offer which was not accepted.

MR. McRUER: It was not accepted.

THE COMMISSIONER: What year was that given?

MR. McRUER: That was 17th August, 1905.

THE COMMISSIONER: Now then, this letter, is this the beginning?

MR. McRUER: It is the beginning of that negotiation, apparently.

THE COMMISSIONER: I see, it is not written by the Royal Trust Company?

... yes, here is it.

... I think we have better not go into any more

... the same reason as before. I am Y.C. 1.1.1.

... the same reason, dated 17th March, 1900.

...

...

...

... I am, a different argument?

... it is a different argument, I have it

... I have no knowledge of that, sir.

... This was in regard to the same

... Cottons Company, Limited. The company will receive

... as had a reference to a letter that was sent

... out of the National Trust Company to the shareholders

... of the National Trust Company

... 1900, 1901, 1902.

... when we were holding the shares of

... the National Trust Company.

... in other words was not necessary.

... it was not necessary.

... what was that given?

... I am not sure, dated 17th March, 1900.

... the same reason, dated 17th March, 1900.

...

...

...

...

...



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Reid

MR. McRUER: There is one written by the Royal Trust Company.

5 THE COMMISSIONER: Anyhow, the first letter in the proceedings is written by this other Syndicate, you say?

MR. McRUER: I would not be sure what Syndicate it is, my lord.

THE COMMISSIONER: But it is another syndicate.

10 MR. McRUER: Yes, according to the Syndicate Agreement, it was organized for a specific purpose, and that was the taking over of the four companies that were specified.

THE COMMISSIONER: Those seem to be different names.

15 MR. McRUER: The first letter, my lord, signed by David Yuile, Chairman, and D. Williamson, and it is addressed to the Royal Trust Company.

THE COMMISSIONER: Chairman of the Syndicate?

MR. McRUER: He just signs as Chairman, that is all.

20 THE COMMISSIONER: Well then, that will be Exhibit 337.

25 EXHIBIT 337: Letter dated 17th August, 1905, signed by C.E. Hanna, also letter dated blank May, 1905, signed by David Yuile and D. Williamson.

MR. McRUER: This letter is addressed to the Royal Trust Company, my lord, and it is dated May, 1905:

"Gentlemen:

30 I beg to enclose herewith Two (2) Circulars which have been drawn up with the view of having your company offer to purchase Stock of the Montreal

There is no written by the  
proceedings in relation to this case. The  
... I would not be sure that this is  
... by law.

... but it is a matter of fact  
... according to the evidence  
... it was organized for a specific purpose, and  
was the taking over of the four companies and some  
... .

... : There seems to be a general  
... The first action, we find, signed by  
... and it is  
... to the Royal Bank Company.

The Ontario ...  
... as first signs an agreement, and ...  
... : ...

...  
... signed by E. E. ... also  
... signed by David Yull and ...

This factor is ...  
... and it is ...

...  
...  
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Cotton Company upon the terms and conditions as stated therein. These Circulars are dated 20th day of May, 1905, and are initialled by us for identification. In consideration of your Company agreeing to issue these Circulars, making the offer as stated therein, we, the undersigned members of the Syndicate, individually and collectively, hereby undertake to deliver to you the amount of 6% bonds, and 7% Preferred Stock, which will be sufficient to fulfill your offer should the necessary majority of Stock be deposited, and the proposed plan become operative; and we further agree and oblige ourselves to reimburse to you any expenses to which you may be put hereunder, and to pay to you a reasonable remuneration for your services."

Now, attached is a printed circular letter dated the 20th of May, 1905, addressed to the shareholders of the Montreal Cotton Company:

"The Royal Trust Company is authorized to make the following offer on behalf of a Syndicate which has been formed for the purpose of acquiring the capital stock of The Montreal Cotton Company.

In accordance with the above authority we offer to purchase shares of your Company, at 133 $\frac{1}{8}$  % of their par value, and agree to pay for them as follows:-

\$100.00 for each share in 6% Bonds and  
\$ 33.33 " " " " 7% Preferred Stock  
of a new Company to be formed.

...and conditions  
as stated herein. These Circulars are dated  
each day of May, 1900, and are initialed by us  
for identification. In consideration of your  
...to issue these Circulars, bearing  
the offer as stated therein, we, the undersigned,  
...of the ... individually and  
collectively, hereby undertake to deliver to  
you the amount of \$1,000, and we further agree  
which will be sufficient to fulfill your offer  
should the necessary quantity of stock be  
obtained, and the proposed plan become  
operative; and we further agree and oblige our-  
selves to reimburse to you any expenses to which  
you may be put hereunder, and to pay to you a  
reasonable compensation for your services.  
Now, entered in a printed circular letter dated the  
first day of May, 1900, addressed to the shareholders of  
the ...  
The Royal Trust Company is authorized to  
... of a ...  
which has been formed for the purpose of paying to  
the original stock of the ...  
In accordance with the above authority we  
offer to purchase shares of your Company, at  
100¢ of their par value, and agree to pay  
the same to you.

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"The shares of your Company which are deposited with us will be held in trust as security for the payment of your Bonds, and so soon as all the shares of your Company are deposited and its real estate transferred to the new Company, a mortgage deed will be executed and registered by the new Company against such real estate to secure the payment of your Bonds so that they will be secured not only by the assets of the new Company, but also by such real estate.

All Shareholders wishing to avail themselves of the foregoing offer are requested to deposit their stock with us on or before 5th June, 1905, in order to receive in exchange therefor the securities above mentioned, so soon as the transaction can be given effect to.

The Bonds herein mentioned will be 6% twenty year Bonds redeemable any time at the new Company's option at a premium of 5 per cent. The preferred Stock will be preferred both as to capital and dividends, which dividends will be non-cumulative.

The proportions of payment to individual shareholders, i.e. \$100 in Bonds and \$33.33 in Preferred Stock, will be adhered to as closely as possible, but wherever equal distribution in this ratio is impossible, and fractions of Bonds or

Re: 10

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"The shares of your company which are  
deposited with us will be held in trust as  
security for the payment of your notes, and as  
soon as all the shares of your company are  
deposited with us the same shall be transferred to the  
new company, a mortgage deed will be executed  
and registered by the new company against such  
real estate to secure the payment of your notes  
so that they will be secured not only by the  
assets of the new company, but also by such real  
estate.  
All shareholders wishing to retain their shares  
of the foregoing order are requested to do so by  
their stock with us on or before 30th June, 1930,  
in order to receive in exchange therefor the  
securities above mentioned, so soon as the  
transaction can be given effect to.  
The shares herein mentioned will be 25  
twenty year term redeemable any time at the  
new company's option at a premium of 2 per cent.  
The preferred stock will be preferred both as to  
capital and dividends, which dividends will be  
non-cumulative.  
The proposal as to payment to individuals  
shareholders, i.e. 100 in bonds and \$25.00 in  
preferred stock, will be referred to an advisory  
committee, but the above proposal is  
not in itself, and the action of the board is

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Preferred Stock arise, certificates for fractional parts of shares and bonds will be granted, and these fractional parts must be adjusted between the Shareholders.

If your stock is transferred to The Royal Trust Company, before it sells ex dividend, a cheque in payment of the quarterly dividend of 1<sup>25</sup>/<sub>4</sub> due 15th June on The Montreal Cotton Co. stock, will be handed to you, and the interest upon the new Bonds given you in exchange for your stock will immediately begin to accrue, as from the date of transfer of same.

It is understood that the Syndicate may withdraw from the purchase of any of the stock deposited, should it not be able to acquire a majority of the stock in the aforesaid Company within 30 days from this date."

The other is a typewritten letter, - I think it is just a draft of the printed one. Then attached is a letter from C.E. Hanna, "For the Syndicate" it is signed. Is dated 17th August, 1905, and addressed to the Royal Trust Company:

"In consideration of your accepting the offer which your Company is making on behalf of a Syndicate, dated the 10th August 1905, by which you agree to accept for the Estate late James Wilson, in exchange for 500 shares of the stock of the Montreal Cotton Co:-

...the ...  
...the ...

...and these ...  
...the ...

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...the ...



\$100.00 for each share in 6% Bonds of the North American Cotton Co. Ltd.

\$37.50 for each share in 7% preferred stock of the same Company.

and for each share transferred \$37.50 par value of the Common stock of the North American Cotton Company may be acquired on the payment of \$9.37½ in cash.

It is hereby agreed that your name will be withdrawn from the offer made by your Company on behalf of the Syndicate, which you accepted for the 500 shares belonging to the Estate late James Wilson on the 26th May last."

THE COMMISSIONER: You want them all kept together, Mr. McRuer?

MR. McRUER: Yes, my lord.

MR. BALLANTYNE: You mentioned a letter signed by C.E. Hanna?

MR. McRUER: I just mentioned that.

MR. BALLANTYNE: Oh, that is the one.

MR. McRUER: Yes.

MR. GEUFFRION: It is signed by C.E. Hanna?

THE COMMISSIONER: Yes, signed by Hanna. Are you through with Mr. Reid, Mr. McRuer?

MR. McRuer: Yes, my lord. Thanks, Mr. Reid.

\$10.00 for each share in the Bonds of the North  
American Ocean Co. Ltd.

\$27.00 for each share in the preferred stock

and for each share in the common stock of the North American Ocean  
Co. Ltd. \$10.00 for each share in the preferred stock  
of the common stock of the North American Ocean  
Co. Ltd. \$27.00 for each share in the preferred stock  
of the common stock of the North American Ocean  
Co. Ltd. \$10.00 for each share in the preferred stock  
of the common stock of the North American Ocean  
Co. Ltd.

It is hereby agreed that your name will be  
withdrawn from the list made by your company  
on behalf of the syndicate, which you were engaged  
for the purpose of raising money for the North  
American Ocean Co. Ltd.

THE COMPANY: You want to know if I have to sign

A. BRYDIE: Yes, my friend.

A. BRYDIE: You want to know if I have to sign

C. E. HANCOCK?

A. BRYDIE: Yes, my friend.

A. BRYDIE: Yes.

A. BRYDIE: It is signed by C. E. HANCOCK.

A. BRYDIE: Yes, signed by HANCOCK, and you

A. BRYDIE: Yes, my friend. I have to sign.

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WALTER EVERSFIELD, Recalled,

EXAMINED BY MR. McRUER:

Q. Now, I want to get for a moment the Minute  
of the first meeting of the Directors of the Dominion  
Textile Company. Is this it? A. Yes, this is it.

Q. This book you produce from the records of the  
Dominion Textile Company as one of the Minute Books  
of the Directors? A. Yes, sir.

Q. At page 14 we have a reference to the issue  
of the preferred shares in the company, which reads  
as follows:

"That, in order to carry out the said  
agreement with the said Syndicate, according  
to the Minutes of the said Shareholders' Meeting  
that the said 5,000 shares of preferred of this  
company be allotted and issued as stipulated  
in said offer and acceptance by the shareholders  
of this company to the said Syndicate and its  
nominees, as follows, to-wit:

|                   |             |
|-------------------|-------------|
| To David Yuile,   | 450 shares, |
| G.A. Grier,       | 450 "       |
| C.B. Gordon,      | 496 "       |
| Rudolphe Forget,  | 200 "       |
| W.S. Holt,        | 500 "       |
| Hon. R. Mackay,   | 250 "       |
| Fred C. Henshaw,  | 100 "       |
| George Caverhill, | 50 "        |
| James N. Laing,   | 2 "         |

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John P. Black, 450 shares,

D. Williamson, 450 "

Hon. L.J. Foget, 500 "

H.V. Meredith, 500 "

S. Carsley, 250 "

D. Morrice, 200 "

James Rodger, 100 "

John Baillie, 50 "

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A.J. Brown, 2 "

The said shares to include the two shares each  
subscribed for by the following persons to  
procure the incorporation of this Company, to wit:

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David Yuille,

Charles B. Gordon,

John P. Black,

D. Williamson,

H.V. Meredith,

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L.J. Foget,

H.S. Holt,

Fred C. Kershaw,

Robert Mackay,

25

G.A. Grier,

D. Morrice,

James N. Laing."

THE COMMISSIONER: What is the date of that, Mr.  
McRuer?

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MR. McRUR: This is a Directors Meeting held  
on the 7th January, 1905, my lord. Then on Page 18:

80-107 10 000 4-10 10 000 10 000 10 000



"And further that the Company hereby alots, and issues to the said Syndicate and its nominees 50,000 shares of its capital common stock, fully paid up and non-assessable, as follows, to wit:

5

David Yuile, 4500 shares,

G. A. Grier, 4500 "

C.B. Gordon, 5000 "

Rudolphe Forget, 2000 "

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W.S. Holt, 5000 "

Hon. R. MacKay, 2500 "

Fred C. Henshaw, 1000 "

George Caverhill, 500 "

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John P. Black, 4500 "

D. Williamson, 4500 "

Hon. L.J. Forget, 5000 "

H.V. Meredith, 5000 "

S. Carsley, 2500 "

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D. Morrice, 2000 "

James Rodger, 1000 "

John Baillie, 500 "

in exchange for the said further sum of \$500,000.00

cash, and the said 24,467 shares of the capital

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stock of the Dominion Cotton Mills Company Limited."

MR. BALLANTYNE: What is the reference to the preferred stock, Mr. McRuer?

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MR. McRUER: It is all dealt with here, Mr. Ballantyne, the allotment to the shareholders in accordance with the agreement.

" 8000 , J. H. A. "

10. 11. 1944. 10. 11. 1944. 10. 11. 1944.

[illegible]

" 3066, 3090, 3114, 3138



MR. GEOFFRION: It is in accordance with the agreement.

MR. McRUER: Yes. I think it would be better, my lord, to have the by-law on pages 14 and 15 copied, down to the end of the first paragraph on page 16, and we will have the whole story in the record.

MR. GEOFFRION: That is in accordance with the Syndicate agreement.

MR. McRUER: Yes. We will just have it copied in:

"The Shareholders' Meeting held this day was thereupon considered; Thereupon it was moved by Mr. Grier, seconded by Mr. Holt and unanimously resolved:

That in order to carry out the said agreement with said Syndicate, according to the Minutes of the said shareholders' Meeting, the paid 5000 shares of Preferred of this Company be allotted and issued as stipulated in said offer and acceptance by the shareholders of this Company, to the said Syndicate and its nominees, as follows, to wit:

To David Yuile, 450 shares,

G.A.Grier, 450 "

C.B.Gordon, 496 "

Rudolphe Forget, 200 "

W.S.Holt, 500 "

Hon. R. MacKay, 250 "

Fred C. Henshaw, 100 "

Geo. Caverhill, 50 "

THE CHARTERED BANK OF CANADA

and we will have the same every in the future.  
The Charter Bank is a company with the  
bank to the end of the first paragraph of page 10.  
my lord, to have the bank on page 11 and is called

resolved:  
by Mr. Justice, according to Mr. Justice and unreasonably  
was the same considered: therefore it was moved  
The shareholders, meeting held on this day  
Mr. Justice: Yes. It will just now be called in:

and issued as stipulated in said offer and  
shares of preferred of this company be elected  
of the said shareholders' meeting, the said bank  
with said privilege, according to the minutes  
that in order to carry out the said agreement  
resolved:

and issued as stipulated in said offer and  
shares of preferred of this company be elected  
of the said shareholders' meeting, the said bank  
with said privilege, according to the minutes  
that in order to carry out the said agreement  
resolved:



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James N. Laing, 2 shares,

John P. Black, 450 "

D. Williamson, 450 "

Hon. S.J. Forget, 500 "

H.V. Meredith, 500 "

S. Carsley, 250 "

D. Morrice, 200 "

James Rodger, 100 "

John Baillie, 50 "

A.J. Brown, 2 "

The said shares to include the two shares each  
subscribed for by the following persons to  
procure the incorporation of this Company, to wit:

David Yuile,

Chas. B. Gordon,

John P. Black,

D. Williamson,

H.V. Meredith,

S.J. Forget,

H.S. Holt,

Fred C. Henshaw,

Robert Mackay,

G.A. Grier,

D. Morrice,

James N. Laing.,

and the said shares are hereby issued and allotted  
to the said persons accordingly, in consideration  
of the said sum of \$500,000.00.

Continued

and

James H. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

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The said names are included in the names of

subscribed for by the following persons to

procure the incorporation of said company, to wit:

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John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

John A. Smith

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and the said names are hereby included

in the list of names of persons who

are entitled to vote at the

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And further that this Company hereby allots  
and issues to the Royal Trust Company, as  
nominees of the said Syndicate, 12,222 shares  
of its preferred capital stock fully paid up  
and now assessable, and agrees and binds itself  
to issue and deliver to the said The Royal  
Trust Company, as such nominees of the said  
Syndicate, its six per cent twenty year Bonds  
to the face value of \$2,759,000.00, which shall  
be taken as follows, to-wit:

\$611,750.00 face value from Series A,  
\$941,250.00 face value from Series B,  
\$969,250.00 face value from Series C,  
\$236,750.00 face value from Series D,

And further that the Company hereby allots  
and issues to the said Syndicate and its nominees:

50,000 shares of its capital Common Stock,  
fully paid up and non-assessable, as follows,  
to wit:

|                   |              |
|-------------------|--------------|
| David Yulle,      | 4500 shares, |
| G.A. Grier,       | 4500 "       |
| C.B. Gordon,      | 5000 "       |
| Rudolphe Forget,  | 2000 "       |
| W.S.Holt,         | 5000 "       |
| Hon. R. MacKay,   | 2500 "       |
| Fred C. Hernshaw, | 1000 "       |
| George Caverhill, | 500 "        |
| John P. Black,    | 4500 "       |
| D. Williamson,    | 4500 "       |

1927

STANDARD

The Standard Oil Company, Inc.

and known to the Royal Trust Company, as

the name of the said company, in the

of the preferred capital stock fully paid up

and now outstanding, and others and kinds issued

to issue and deliver to the said The Royal

Trust Company, as such trustees of the said

company, for six per cent yearly year money

to the face value of \$5,782,000.00, which shall

be taken as follows, to-wit:

\$211,750.00 face value from Series A,

\$241,750.00 face value from Series B,

\$402,500.00 face value from Series C,

\$986,750.00 face value from Series D,

and further that the Company hereby lists

and issues to the said syndicate and its members

\$5,000 shares of its capital common stock,

fully paid up and non-assessable, as follows,

to-wit:

David Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

Wm. H. Wolfe, \$500 shares,

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Eversfield,

|                   |      |         |
|-------------------|------|---------|
| Hon. L.J. Forget, | 5000 | shares, |
| W.V. Meredith,    | 5000 | "       |
| S. Carsley,       | 2500 | "       |
| D. Morrice,       | 2000 | "       |
| James Rodger,     | 1000 | "       |
| John Baillie,     | 500  | "       |

in exchange for the said further sum of  
\$500,000.00 cash, and the said 24,467 shares  
of the capital stock of the Dominion Cotton  
Mill Company, Limited.

14,118 shares of the capital stock of the  
Merchants Cotton Company, Limited.

9,693 shares of the capital stock of the  
Montmorency Cotton Mills Company:

2,368 shares of the capital stock of the  
Colonial Bleaching and Printing Company Limited;  
which said shares in the said four cotton companies  
this Company undertakes and agrees forthwith  
to retransfer to The Royal Trust Company as  
Trustees, to be held by them as security for the  
said four series of Bonds to be issued by the  
Company, until such time as the same can be  
released to this Company in accordance with the  
provisions of the Trust Deed securing such bonds,  
the said The Royal Trust Company being hereby  
named and appointed the Trustee for such bond  
issue.

It was moved by Mr. Henshaw, seconded by Mr.

[illegible]

" 6.000, at there .V.

Is this correct? Also, it was considered if

14,118 shares of the capital stock of the

and to assess the impact on the world's...



Williamson, and resolved:

That R.A. Danton, Notary Public, be  
instructed to prepare the necessary deeds and  
documents to carry the foregoing into effect,  
including the Trust Deed for the bond issue.

It was moved by Mr. Grier, seconded by  
Mr. Holt, and unanimously resolved:

That to provide the necessary bonds to give  
effect to the foregoing and to enable the  
Company to acquire such further shares in the said  
four cotton companies as it may deem advisable,  
the following by-law be, and the same is, hereby  
enacted and adopted as By-law No. XVII, of this  
Company."

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Now then, I wish to deal with the history of these four companies that were amalgamated in 19 05 and consolidated in the Dominion Textile Company. The Dominion Cotton Mills Company, was evidently a development of the Hochelaga Cotton Company.

THE WITNESS: Yes, together with several other companies.

Q. Together with several other companies? A. Yes.

Q. And the Antecedent Company to the Hochelaga Cotton Company was the Hudon Cotton Company? A. The Hudon Cotton Company, yes.

Q. The first record that you have of the Hudon Cotton Company commences on the 19th of February, 1878? A. Yes, sir.

Q. We do not appear to have a record that indicates when it was organized, or what its capitalization was. We can probably get that from the Provincial records.

MR. GORDON: Well, just that photograph I showed you inviting the people to the inauguration of the mill. Do you remember the one I showed you, Mr. McRuer?

MR. McRUER: Oh, yes.

MR. GORDON: That was 1874.

THE WITNESS: There must be a previous minute book to this that we have not got.

Q. There is a photograph in your office attached to an indication to people to come to the opening of the mill, in 1874, so that apparently was when the mill began? A. Yes.

Now then, I wish to deal with the history of these  
four companies that were established in 1893 and  
consolidated in the American Textile Company. The  
development of the American Textile Company.  
The answer: Yes, together with several others.

1. Together with several other companies, I was  
2. and the American Textile Company to the American  
Boston Company was the United Textile Company. At the  
3. The first record that you have of the United

4. The company was organized on the 1st of February, 1893.  
5. Yes, sir.  
6. It is not clear to have a record that indicates  
7. that it was organized, or what its organization was.  
8. We can probably get that from the financial records.

9. Mr. Gorman: Well, just that photograph I showed  
you showing the people to the inauguration of the mill.  
Do you remember the one I showed you, Mr. Gorman?

10. Mr. Gorman: Oh, yes.  
11. Mr. Gorman: That was 1894.  
12. Mr. Gorman: There was no previous record  
to this that we have not got.

13. There is a photograph in your office showing  
to an individual to people to come to the opening of  
the mill, in 1894, so that apparently was when the

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Q. Then I just want to read a passage from the shareholders' meeting.

THE COMMISSIONER: Of what company, Mr. McRuer?

MR. MCRUER: The Hudon Cotton Company, my lord.

5 That is the beginning, I think. This is the annual general meeting, held on the 19th of February, 1878:

10 "Mr. V. Hudon, President, called the meeting to order, said he was happy to see so many present and he hoped the payment of the dividend was encouraging them, etc, etc., and so on.

The result of the year's business showed a net profit of \$50,161.91.

15 The President in moving the adoption of the report said he would be glad to answer questions and hear remarks. Mr. M.H. Gault said he had much pleasure in seconding the motion and that the report was highly satisfactory, and would suggest that the report and statements be printed for distribution to the shareholders.

20 Carried unanimously."

The next meeting was held on the 7th of February, 1879:

25 "Your directors have much pleasure in reporting to you that the company's business for the past year ending 31st December 1878 has been very satisfactory.

30 During the year 88 new looms and other machinery have been added to the mill. This addition x with a still increased production from the mill generally has enabled us to place on the





market a quantity of goods much in excess of previous years. This will be seen from the figures given below showing an increase of 1,386,080 yards for the year 1878.

The quantity of cotton consumed was 3,740, bales or 1,316,934 lbs. in 1878 against 2975 bales or 1,457,734 lbs. in 1877, an increase of 379,210.

The production of goods was 1,653,595 lbs, or 5,930,431 yards in 1878, against 1,270,724 lbs. or 4,544,351 yards in 1877, showing an increase of 382,871 lbs or 1,386,080 yards.

The cost of manufacture was reduced from 6.4204 in 1877 to 5.2938 in 1878, being a reduction of 1.1266 per lb."

THE COMMISSIONER: That means what?

MR. McRUER: That is in cents, I think, my lord.

Then:

"The sales were \$419,256.59 in 1878 against \$365,861.56 in 1877, being an increase of \$53,395.03.

The result of the year's operations show as per statements on the table for the inspection of the shareholders a net profit of \$76,563.32 in 1878 against \$50,161.91 in 1877, being an increase of \$26,401.41.

The directors deemed it advisable in the interest of the Company not to publish the annual statement.

A dividend of 10 per cent. has been declared

marked a quantity of goods such in a case of  
previous years. This will be seen from the  
figures given below showing an increase of

1,000,000 units in 1977, compared with 8,000,000  
in 1976.

The quantity of cotton consumed was 8,000,000  
bales or 1,015,000 tons in 1976 and 8,000,000  
bales or 1,015,000 tons in 1977, an increase of 8,000,000.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1976, a gain of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

or 1,000,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The cost of cotton was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.

The amount of goods was 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons  
or 1,015,000 tons in 1977, an increase of 1,000,000 tons.



and will be payable at the company's office on the 15th instant."

I see Mr. I. Grenier, was active at the meeting, and the same names crop up in those different companies in the early history, a great deal.

Then the next is a special general meeting of shareholders held on the 19th of April, 1879:

"The President having called the meeting to order requested the Secretary to read the notice calling the meeting. The Secretary read the notices in French and English, after which the President explained the object of the meeting, and said that the Directors had decided to extend the mill but desired the shareholders to approve the decision before commencing the operations; and the shareholders were called together to give their sanction. He would state, he said for their information that it was not the intention of the directors to fill the extension with machinery this year as they did not wish the expenditure to interfere with the payment of dividends."

Then the annual meeting of shareholders held on the 11th February, 1880:

"Immediately after the special general meeting held on the 19th April last, at which the recommendation of your directors to enlarge the mill was unanimously approved, the contracts

and will be payable at the company's office on the

first instant.

I see Mr. J. G. Smith, was active at the meeting, and  
the same names crop up in those different companies  
in the early history, a great deal.

Then the next is a special general meeting of  
shareholders held on the 15th of July, 1878:

"The President having called the meeting to  
order requested the secretary to read the notice  
calling the meeting. The secretary read the  
notice in French and English, after which the  
President explained the object of the meeting, and  
said that the directors had decided to extend the  
will not desired the shareholders to approve  
the decision before considering the question;  
and the shareholders were called together to  
the meeting. The President then read the  
their information that it was not the intention  
of the directors to fill the extension with  
machinery this year as they did not want the  
expenditure to interfere with the payment of  
dividends."

Then the annual meeting of shareholders held on  
the 15th instant, 1879:

Immediately after the special general  
meeting held on the 15th of July last, at which  
the shareholders of the company were present  
the will was unanimously approved, the company



for the building and portion of the machinery  
were given out and work at once commenced."

It gives the details of that, and then:

"The production of the year was 6,822,535 yards or  
1,860,987 pounds of cloth, being 822,904 yards or  
307,392 pounds of increase over the year 1878.

The cost of the production was reduced from  
5.6774 in 1878 to 5.4068 per pound in 1879.

The result of the year's operations show a  
net profit of \$111,516.37. An amount of \$21,234.42  
has been written off machinery and construction acc.  
leaving a balance of \$133,627.06 at the credit  
of Profit and Loss Account."

The next is the Annual Meeting held on the 3rd of  
February, 1881:

"The production has increased from 6,822,535  
yards or 1,860,987 pounds in 1879 to 8,464,174  
yards or 2,527,706 pounds in 1880.

The consumption of raw cotton reached 6,006  
bales or 2,989,137 pounds in 1880 against  
4412 bales or 2,155,211 pounds in 1879, an  
increase of 833,926 pounds.

The sales amount to \$698,984.27 in 1880  
as compared with \$497,594.87 in 1879, an increase  
of \$198,389.40.

A stock bonus of 33 and one-third per cent.  
or one share to every three held on the 30th of  
June last, was given to the shareholders thereby





5665

Eversfield,

increasing capital account to \$403,330.34.

\$17,190.86 were written off machinery and construction accs. and the balance remaining to the credit of Profit and Loss account is \$131,136.74 as shown by the statements herewith submitted."

Then the annual meeting of the 7th February, 1882:

"The production has been 10, 529,415 yards of cloth or 3,265,797 pounds including bags and yarn, this is an increase of 2,065,241 yards or 738,091 pounds over the year 1880.

The sales amounting to \$901,178.54 shows an increase of \$205,194.27.

. The balance of profits on the year's business after payment of the usual dividends of 5 per cent. half yearly amount to \$160,241.52. \$45,000 of these profits have been carried to suspense account to meet deterioration on machinery and certain improvements in the same, which it was found desirable to make.

The balance now to the credit of profit and loss account is \$253,378.26.

The manager finding some difficulty in having with him as steady a class of help as he could desire - a number of these, as is usual in such manufacturing centres change about considerably - the directors' profit would be greatly in the interest of the company to erect a number of suitable dwellings for families.





5666

Eversfield,

Some 46 of these houses have been built and are now occupied by desirable tenants, yielding in rental a fair return to the company and meeting to a considerable extent the object in view."

5

THE COMMISSIONER: Can you tell me where that mill was?

MR. MORIER: Mr. Gordon, where was the Hudon Cotton mill situated?

10

MR. GORDON: Just where our Hochelaga mill is to-day, sir, down on Notre Dame Street.

MR. MORIER: In Montreal?

MR. GORDON: Yes.

15

MR. MORIER: Thank you.

Then a meeting of the Board of Directors on the 18th December, 1882:

20

"The Chairman read a draft of by-law respecting an increase in the capital stock of the company from Mr. Beigue, as follows:

25

"Whereas the capital stock of the said Hudon Cotton Mills Co. Hochelaga at present authorized amounts to the sum of six hundred thousand dollars which has been full allotted and paid in,

30

Whereas for the purpose of increasing the operations of the said Company an amount of over one million dollars has actually been expended in the purchase of land, the erection of buildings, and the placing of machinery therein, and the

... of these houses have been built and are  
now occupied by domestic tenants, residing in  
... a 1/2 acre plot in the company and meeting  
... the needs of the community.  
The Council is now ... can you tell us where that

100-100000

Mr. ... Mr. Gordon, where was the London Council?

100-100000

Mr. ... Just where our headquarters will be located.

... down on North Main Street.

... in Montreal?

... Mr. ...

... Thank you.

Then a meeting of the Board of Directors in the

100-100000

The Chairman read a list of by-law proposals

in motion in the capital stock of the company

from Mr. ... as follows:

"Whereas the capital stock of the said

London Council ... Co. Incorporated, at present

authorized amounts to the sum of six hundred

thousand dollars which has been fully allotted and

paid in.

Whereas for the purpose of increasing the

amount of the said fund of capital of the

company ... the amount of the said fund

the purchase of land, the creation of buildings,

and the placing of machinery, and the



said Company may require an additional amount of capital over and above the said sum so expended.

And whereas it has become expedient to increase the capital stock of the said company from the sum of six hundred thousand dollars to the sum of two million dollars.

It is hereby enacted and ordered by the Directors of the said Company at their regular meeting held in the City of Montreal on the Eighteenth day of December one thousand eight hundred and eighty-two by the unanimous decisions of the Directors present at said meeting as follows:

First: The capital stock of the said company shall be and the same is hereby increased from the sum of six hundred thousand dollars to the sum of Two million dollars, the said increase of stock to be divided into 14000 shares of the value of one hundred dollars each share, secondly A general meeting of the shareholders of the said company shall forthwith be called for the purpose of considering the present by-law and of sanctioning the same.

Thirdly: So soon as the present by-law shall have been duly sanctioned by the shareholders of the said company supplemental Letters Patent shall be applied to to confirm the said increase of the Capital Stock of said Company.

It was ordered that the necessary notices

and Company may receive an additional amount of  
capital over and above the said sum so expended.

and whereas it has become expedient to

increase the capital stock of the said company  
from the sum of six hundred thousand dollars to the  
sum of two million dollars.

It is hereby enacted and ordered by

the Directors of the said Company at their regular

meeting held in the City of Montreal on the thirteenth

day of December one thousand eight hundred and

eighty-two by the following resolutions of the

Directors present at said meeting as follows:

That: The capital stock of the said

company shall be and the same is hereby increased

from the sum of six hundred thousand dollars to

the sum of two million dollars, the said increase

of stock to be divided into 140,000 shares of the

value of one hundred dollars each share.

Secondly A General Meeting of the Shareholders of the

said company shall forthwith be called for the

purpose of considering the present by-law and

of amending the same.

Resolved: So soon as the present by-law shall have

been duly sanctioned by the Shareholders of the said

company the said company shall be entitled

to receive the said increase of the capital

stock of the said company.

Witness my hand and seal this 13th day of December 1882.



in the papers be at once given for a special general meeting to approve the said by-law."

Then there is a special general meeting of shareholders held on the 8th of January, 1883, for the purpose of approving this by-law.

MR. BALLANTYNE: How much did they authorize the increase?

MR. SCRUER: I am coming to that, although it is very confusing, I don't quite understand. Then we come to the 27th January, 1883, and there is written across this "null"; there is the recital:

"Whereas the capital stock of the said company at present authorized amounts to the sum of six hundred thousand dollars (\$600,000.00) hereof four hundred and thirty-three thousand (\$433,000.00) has been subscribed or allotted and paid in."

I think there was some mistake in these by-laws at that time, and they were straightened out.

Then we come to the 9th of February, 1883:

"Mr. Gault moved and Mr. Grenier seconded a bonus of \$15,000 in new stock to the Manager Mr. Whitehead and unanimously approved by the Board."

Then:

"By-law respecting the allotment of paid-up shares of the V. Hudson Cotton Mills Company, Hochelaga, by way of dividends to the shareholders."

in the papers as at once given for a special  
general meeting to approve the said by-law.

Then there is a special general meeting of share-

holders held on the 21st of January, 1908, for the

purpose of approving this by-law.

Mr. Chairman: Now would they authorize the

Mr. Chairman: I am coming to that, although it is

very confusing, I don't quite understand. Then we

come to the 21st January, 1908, and there is

written across this "null"; there is no record:

"Whereas the capital stock of the said company

at present amounted amount to the sum of

six hundred thousand dollars (\$600,000.00) - hence

has been subscribed or allotted and paid in."

I think there was some mistake in these by-laws at that

time, and they were straightened out.

Then we come to the 21st of February, 1908:

"Mr. Smith moved and Mr. Premier seconded

a motion of \$10,000 in new stock to the manager

Mr. Chairman and unanimously approved by the

2

10

12

14

22

30



5

Whereas the capital stock of the said Company at present authorized amounts to the sum of six hundred thousand dollars (\$600,000) whereof four hundred and twenty thousand dollars (420,000) has been subscribed or allotted and paid in.

10

Whereas the profits actually earned by the said company and not yet divided justify an allotment to the shareholders in paid-up shares of four hundred and twenty thousand dollars (\$420,000) by way of dividends out of said profits.

15

And whereas the authorized capital of the Company not yet allotted amounts to one hundred and eighty thousand dollars (\$180,000) only, but it is the intention of the said company to apply forthwith for Letters Patent increasing its capital stock to two million dollars -- "

This irons it out.

20

MR. BALLANTYNE: Yes.

MR. McRUER: And it then continues:

25

"It is hereby enacted and ordered by the Directors of the said Company at their regular meeting held in the City of Montreal on this 9th day of February, one thousand eight hundred and eighty-eight, by the unanimous decision of the Directors present at said meeting as follows:

30

"An amount of Four hundred and twenty thousand dollars (\$420,000) in paid up shares shall be and the same is hereby allotted to the shareholders

of amount of \$100,000.00 to the sum of  
six hundred thousand dollars (\$600,000.00) interest  
four hundred and twenty thousand dollars (\$420,000.00)  
has been received or collected and paid in.  
The said interest actually earned by the  
said company and not yet divided (being an  
advance to the shareholders in 1913-14) amount  
of four hundred and twenty thousand dollars  
(\$420,000.00) by way of dividends out of said profits.  
and between the authorized capital of the  
company and the interest received to the amount  
of four hundred and twenty thousand dollars (\$420,000.00)  
but it is not in favor of the said company as  
the said interest is not yet divided.  
The said interest is two million dollars - 2  
This is one of one.

Q. What is the result?  
A. Yes, and it is the result.  
It is hereby enacted and ordered by the  
Directors of the said company at their regular  
meeting held in the City of Cheyenne on this  
1st day of February, one thousand and eight hundred  
and eighty-eight, that the said interest be  
the amount of four hundred and twenty thousand  
dollars (\$420,000.00) be paid up to the said  
and the same is to be collected to the shareholders



of the said company by way of dividend out of profits and pro rata to the respective amount of stocks by them held.

One Hundred and eighty thousand dollars (\$180,000) whereof to take effect from this day and the balance of said allotment, to wit, two hundred and forty thousand dollars (\$240,000) to take effect only in case and after the capital stock of the company aforesaid has been increased to permit of the same."

Then there is an annual meeting of the 12th of February 1883:

"The production has been 15,445,330 yards of cloth or 4,748,259 pounds including bags and yarn, showing an increase of 4,915,915 yards or 1,482,462 pounds over the year 1881.

The sales amounted to \$1,162,804.03 showing an increase of \$261,612.49 over the previous year.

The net profits of the year after paying two dividends of 5% per cent each on the capital stock of the company and carrying \$55,000 to the reserve account amounts to the sum of \$127,598.85 and the reserve account now stands in the Company's books, \$100,000.

The balance now at the credit of Profit and Loss account is \$431,467.11, which your Directors now propose to divide among the shareholders by giving them one share for each share now held by them.

*Melospiza cinerea*



5 The cottages which your directors thought  
advisable (in the interest of their employees) to  
erect have been all completed and are now and have  
been occupied by desirable tenants yielding a fair  
return to the Company and meeting to a large extent  
the object your directors had in view.

The property is valued at \$40,000.

10 Mr. Hudon having tendered his resignation as  
a director of the Company owing to ill health it was  
accepted and Mr. Morrice was elected to fill his  
place on the Board."

15 There seems to be no statement of profit and loss, and  
so on. I notice that the following directors were  
elected:

A.F. Gault,

J. Grenier,

M.H. Gault,

20 S. H. Ewing,

I.L. Gault,

W.J. Whitehead,

D. Morrice."

25 Then a meeting of the Board of Directors held on the  
13th March, 1883:

The President read the following by-law received  
from Mr. Beique:

30 By law respecting the allotment of paid-up  
shares of the V. Hudon Cotton Mills Co., Hochelaga,  
by way of dividends to the shareholders.

1909

*Chrysomelidae*

1917



Whereas by-law passed by the Directors of the said Company on the 3th day of February, 1883, and approved by the shareholders of the Company aforesaid at the annual meeting held on the 12th day of February, 1883, it was enacted and ordered as follows, to wit."

Then you come to the annual meeting of the 15th of February, 1884:

"Your Directors have the pleasure of laying before you the Eleventh Annual Report of the Rees of the Company, operations for the year 1883, and before reading the different accounts would state that they are made up to the 31st October being only 10 months work of the Mill. This was done during the stoppage of the works in November which your Directors in the interest of the Mill and the Cotton Trade generally considered in their judgment as the best thing to do in order that stocks might be reduced and regular prices for the goods maintained, consequently the profits are for 10 months only and although not equal to former years still your Directors feel that you cannot but be perfectly satisfied with the result knowing as you must do that in both England and the States the profits in cotton manufacturing have for the last year been very small and in a great many instances the balance was on the wrong side.





Your Directors owing to the feeling of distrust throughout the Commercial world and their desire to place the Company in a strong Financial position have decided to pass the usual dividends and although sorry to be obliged to do this still they feel that in doing so they can with more assurance promise an early resumption to the usual dividends in the future. They also wish the shareholders to understand more clearly than they might do by a casual glance at the statements that the Capital of \$853,666.66 is represented by a property costing \$1,217,278, and at present valued in the Company's books, at \$1,145,303, to which amount should be added duty and on machinery in No. 2 Mill which would bring cost to over one and a quarter millions with an indebtedness still to work up of \$79,830, or if you value the cottage property and offices separately the indebtedness on mill and machinery proper is only \$24,000, so that the par value of your present shares is worth about 135%."

There is no statement about profit and loss. Then a meeting of the Board of Directors dated 30th December, 1914:

"The statements of sales production were given.

The sales for the month of November were

\$58,960.60.

Your letter of the 12th inst. is received.

It is desired to place the company in a strong financial

position and decided to pass the usual

dividend and although sorry to be obliged to

do this still they feel that in doing so they

can with more assurance promise an early

transition to the usual dividend in the future.

They also want the shareholders to understand

more clearly than they might do by a general

statement of the statements that the capital of

\$1,212,380 is represented by a property consisting

of \$1,212,380, and at present valued in the company

at \$1,212,380, or there abouts.

It is added that and on machinery in No. 2 mill

which would bring cost to over one and a quarter

millions with an indebtedness still to work up

of \$75,880, or if you value the cottage

property and offices separately the indebtedness is

only and machinery proper is only \$44,000,

so that the net value of your present interest

is worth about \$100,000.

There is no statement about profits and loss.

A meeting of the board of directors called both Tuesday

and Wednesday of next week.

Very truly yours,

W. B. BRYDIE



The usual financial statements were submitted

5 A meeting of the Committee on the V. Hudon and St. Anne's Mills Company's amalgamation met at the office of Messrs Gault Bros. on the 9th October, there being present Messrs A.F. Gault, J.O. Villeneuve, W.I. Whitehead, and D. Morrice.

10 After some conversation regarding the matter and having fully considered the different positions of the companies it was resolved to recommend that the shareholders of the respective companies amalgamate forming one company on the basis of 50% of St. Anne's stock to par value  
15 of V. Hudon Cotton Mills Co. stock or two shares of St. Anne's to one of V. Hudon Cotton Mills Co. And they further recommended that a general meeting of the shareholders of each company be called in due form to consider the said proposition.  
20

25 Mr. Morrice was authorized to write the representatives of all the Grey Mills and ask them to attend the meeting on Thursday, the 8th January, to discuss affairs."

Then the 12th Annual general meeting, held on the 12th February, 1885:

30 "As most of you are aware the past year has been a very fine one to all engaged in the manufacture of cottons. Competition has

A meeting of the committee on the 17th of October, 1934, at the office of Messrs. Smith, Brown and Co., 111. William Street, Montreal, Quebec, Canada, at 2.30 p.m.

After some conversation regarding the matter and having fully considered the different positions of the companies it was resolved to recommend that the shareholders of the respective companies be asked to transfer the shares of the company to the name of the 111. William Street Co. or two shares of the 111. William Street Co. or one of the 111. William Street Co. and they further recommended that a general meeting of the shareholders of each company be called in due form to consider the said proposal.

The committee was authorized to write the representatives of all the companies and ask them to attend the meeting on Thursday, the 11th of November, 1934.

Then the first annual general meeting, held on the 11th of November, 1934.

The names of the persons who were the first year

and have a very fine one to all enjoyed it

The committee of officers, consisting of



been very great and several heavy breaks in prices have occurred during the year which has largely reduced the ordinary profit.

5 The directors are pleased to state that the greater portion of the stock that was on hand a year ago has been disposed of and at the present time there are orders on hand for nearly all the goods in course of manufacture.

10 During the year several new kinds of goods have been produced and the production of others is now being contemplated, thus diversifying the manufactures of the mill as much as possible.

15 It will be remembered that at the time of Messrs D. Morrice & Co.'s suspension in September 1883 this company was interested in their estate in a very large amount. It was hoped that the arrangements entered into at that time for an extension would have proved sufficient. However, 20 through the shrinkage in the values of stocks and from other causes it was found necessary for them to seek further indulgence. Your Board after giving the matter the fullest consideration 25 decided to upset the proposal made resulting in a loss to the company of \$36,000 but are pleased to state that notwithstanding this serious loss there still remains an amount at the credit of Profit and Loss account on the year's operations. 30





This result considering all the circumstances on the year's business is a matter for congratulation.

5 Your directors have now to bring before you the question of amalgamation with the St. Anne Spinning Co. which they have had under consideration for some months past. The resolution favouring this move was adopted at a meeting of the Board held 30th of December last and to-day 10 you will be asked to pass one confirming such amalgamation, which your directors believe will be in many respects of advantage to both companies....."

15 "The two companies amalgamated will have about 1800 looms and about 92,000 spindles. The paid-up capital will be about \$1,170,000 showing a cost per spindle of something less 20 than \$13.00, being about \$7.00 less per spindle than in any other mill in the Dominion.

In addition to this the Company owns a large bleachery, cottages and other property which cost not less than \$100,000."

25 And over the page there is the resolution in connection with the amalgamation of the two mills, and it continues on the next page:

30 The capital stock of the amalgamated company shall be \$2,000,000 divided among the shareholders in the proportion of one share for every share

3878

where filed.

This result of combining all the circumstances on the year's business is a matter for consideration.

1911.

Your directors have now to bring before you the question of amalgamation with the C. & N. S. P. & N. Co. which they have had under consideration for some months past. The result of the amalgamation was adopted at a meeting of the Board held 30th of December last and to-day you will be asked to pass one confirming such amalgamation, which your directors believe will be in every respect of advantage to both companies....."

"The two companies amalgamated will have about 1,000,000 shares and about \$2,000,000 capital. The paid-up capital will be about \$1,500,000, leaving a cash and surplus of somewhat less than \$500,000, being about \$7.00 less per share than in any other mill in the Dominion. In addition to this the company owns a large plant, sawmills, and other property which cost not less than \$1,000,000."

and over the past year there has been a considerable increase in the value of the property with the amalgamation of the two mills, and is considered

The original stock of the amalgamated company will be \$1,000,000 divided among the shareholders in proportion to the number of shares they own.



held in the said V. Hudson Cotton Mills Company,  
Hochelaga, and one share for every two shares held  
in the said La Compagnie de filature Ste Anne,  
Hochelaga."

5 "This Act shall not be construed as affecting  
any suit or proceeding pending at the time of its  
coming into force or as impairing any of the rights  
of hypothec lien or privilege existing in favour  
of bondholders of of any other persons whomsoever.

10 This act shall come into force on the day of  
its sanction.

Moved by Mr. Grenier and seconded by Mr.  
Garth, and resolved, Whereas noticed are now  
15 being published as required by law that application  
will be made to the Legislature of Quebec for an  
Act amalgamating this Company with the Ste Anne  
Spinning Company, Hochelaga, that the project of  
amalgamation and the following draft of bill or  
20 a bill to the same effect for carrying out such  
amalgamation be and is hereby approved of,

And after questions asked by Messrs. McLennan, Cleghorn,  
McConkey, and replied to by Messrs. Grenier, Garth,  
25 Whitehead, and the President, the motion was carried  
unanimously.

(Page 5685 follows)

held in the name of the London General Mills Company,  
London, and are shown for every two years held  
in the name of the London General Mills Company,

"This act shall not be construed as affecting  
any act or proceeding relating to the issue of the  
notice into force or as impairing any of the rights  
of specific lien or privilege existing in favour  
of holders of or any other persons whatsoever.  
This act shall come into force on the day of

its sanction.  
Enacted by the Queen and Council by the  
Lords, and resolved, the same be read and the  
being published as required by law that the  
will be made to the Legislature of Canada for an  
act amending this Company with the name  
London General Mills Company, that the project of  
amendment and the following draft of bill or  
a bill to be read for carrying out such

amendment be and is hereby ordered to be  
and after amendments made by the House of Commons,  
London, and referred to by the House of Commons,  
London, and the House of Commons, the matter was carried



The next Annual Meeting of shareholders held on the 17th of February, 1886, the report to the shareholders:

5 "As the shareholders are already aware the amalgamation between the V. Hudson Cotton Co. and the St. Anne's Spinning Co. as authorized by the shareholders at the last annual meeting held on the 12th day of February 1885 has been carried out and a meeting for the election of 10 directors of the amalgamated companies under the name of the Hochelaga Cotton Manufacturing Co. was held on the 9th day of June last as provided for and in accordance with the Act 15 obtained from the legislature."

THE COMMISSIONER: Is that the new name?

MR. McRUER: The new name of the Company is the Hochelaga Cotton Company.

20 THE COMMISSIONER: That name did not exist before?

MR. McRUER: No, my Lord.

25 "It is gratifying to be able to state that the prospects of the cotton industry improved and brightened considerably during the year, so that both mills were kept running very nearly at their full capacity and that the goods were disposed of at prices which although not altogether satisfactory were fairly remunerative, as will 30 be seen by reference to the working account for the year. The directors think the shareholders

The first of these is a small tract of land  
situated on the north side of the river, and  
containing about 100 acres.

"It is the intention of the Government to acquire  
this tract of land for the purpose of establishing a  
military post on the river."

The second of these is a large tract of land  
situated on the south side of the river, and  
containing about 500 acres. This tract of land  
is situated on the bank of the river, and is  
very fertile. It is the intention of the  
Government to acquire this tract of land for  
the purpose of establishing a military post  
on the river. The third of these is a small  
tract of land situated on the north side of  
the river, and containing about 50 acres. It  
is the intention of the Government to acquire  
this tract of land for the purpose of  
establishing a military post on the river.

The fourth of these is a large tract of land  
situated on the south side of the river, and  
containing about 1000 acres. This tract of  
land is situated on the bank of the river, and  
is very fertile. It is the intention of the  
Government to acquire this tract of land for  
the purpose of establishing a military post  
on the river.

The fifth of these is a small tract of land  
situated on the north side of the river, and  
containing about 50 acres. It is the intention  
of the Government to acquire this tract of land  
for the purpose of establishing a military post  
on the river.

There are  
also several other tracts of land situated  
on the river, but they are not included in  
this report.

"It is the intention of the Government to acquire  
these tracts of land for the purpose of  
establishing military posts on the river. The  
first of these is a small tract of land  
situated on the north side of the river, and  
containing about 50 acres. It is the intention  
of the Government to acquire this tract of land  
for the purpose of establishing a military post  
on the river. The second of these is a large  
tract of land situated on the south side of  
the river, and containing about 500 acres. This  
tract of land is situated on the bank of the  
river, and is very fertile. It is the intention  
of the Government to acquire this tract of land  
for the purpose of establishing a military post  
on the river. The third of these is a small  
tract of land situated on the north side of  
the river, and containing about 50 acres. It  
is the intention of the Government to acquire  
this tract of land for the purpose of  
establishing a military post on the river. The  
fourth of these is a large tract of land  
situated on the south side of the river, and  
containing about 1000 acres. This tract of  
land is situated on the bank of the river, and  
is very fertile. It is the intention of the  
Government to acquire this tract of land for  
the purpose of establishing a military post  
on the river. The fifth of these is a small  
tract of land situated on the north side of  
the river, and containing about 50 acres. It  
is the intention of the Government to acquire  
this tract of land for the purpose of  
establishing a military post on the river."



should feel gratified with the result.

In order to meet the wants of the trade and to diversify production as much as possible your directors decided to add a number of broad looms for the manufacture of wide sheeting &c. With these looms the mill is now in a position to supply all the wants of the country for this class of goods."

A matter of history more than anything else they report the smallpox epidemic.

"In view of the earnings of the Company for the year, your directors felt justified in authorizing the declaration of a dividend on the capital stock of the company of 1-1/2% which will be payable on the 1st day of March next, and it is intended that this dividend shall be kept up quarterly throughout the year. The usual statements of the Trade Account, Provident Loss Account and the Assets and Liabilities of the Company will now be read to you."

The Second Annual General Meeting of the shareholders held on February 16th, 1887.

"Your directors have much pleasure in meeting the shareholders on the occasion of another Annual General Meeting and to report that the result of the past year's business is more than could have been anticipated by the warmest friends of the Company.

THE LAND OFFICE

In order to make the title of the lands and

to a legally established or made or possible

your directors feel to add a number of lands

forms for the establishment of title to the lands.

With these forms the title is now in a position

to supply all the wants of the country for this

kind of work.

A matter of history must then be said else they be-

come the subject of criticism.

"In view of the fact that the country

is now being rapidly settled

an authority the Government of a division on

the capital stock of the company of 1-1/2 per cent

will be payable on the first day of next year, and

it is intended that this dividend shall be paid

up quarterly throughout the year. The annual

dividends of the lands are now being paid

to the land and the title of the

company will be paid to you."

The second Annual General Meeting of the com-

pany was held on the 15th of May, 1904.

"Your directors have much pleasure in

reporting to you the progress of the company

and the success of the company in the

past year and the success of the company

in the past year and the success of the company

in the past year and the success of the company



5 "Throughout the year all the machiner. in  
the mill has been kept in active operation and  
we are working today up to our fullest capacity.  
The goods have been well sold and our stock of  
manufacturers goods on hand is considerably  
less than at same time last year.

10 During the year an association called the  
Dominion Cotton Manufacturers Association was  
formed, for the purpose of maintaining prices  
as far as possible to a uniform standard, to which  
with one exception all the mills in the country  
gave in their adhesion, So far the Associa-  
15 tion has worked admirably and there is every  
prospect of it continuing to do so in the future,  
and will exercise a very beneficial effect on  
all the cotton industries of the country.

20 The regular inventory of stock has been  
carefully taken and an ample allowance has been  
made to cover interest, depreciation in value and  
to provide for any contingencies that might  
possibly occur.

25 The sales for the year 1886 amounted to  
\$1,223,463.00 against \$1,160,731.00 for 1885.  
It is not expected that this amount will be  
increased during the present year unless prices  
should advance, which is not a likely contingency.

30 In view of the earnings for the year your





5688

Eversfield

5 directors have felt that they were fully  
justified in increasing the rate of dividend  
and have now the pleasure to inform you that  
a dividend of 2-1/2% on the paid up capital  
has been declared payable on the 1st day of  
March, and they had no hesitation in saying  
that unless something very unforeseen should  
happen they will be able to maintain this  
10 dividend quarterly without any inconvenience  
throughout the year."

The third annual general meeting held on the  
15th of February, 1888:

15 "The Board have decided to limit the  
number of directors to seven as it was previous  
to the amalgamation, consequently it is not  
intended to fill the vacancy caused by the death  
of Mr. Whitehead.

20 Were it not for the sad event just referred  
to, your directors would have looked forward  
with much greater satisfaction to the occasion  
of meeting the shareholders at this their  
Annual General Meeting, as the year just closed  
25 has been one of the most prosperous financially  
that the Company has had since its formation.

30 Throughout the year, all the machinery in  
both mills has been kept in active operation  
and we are now working up to the fullest capacity.





5689

Eversfield

The goods have been sold at satisfactory prices and it will be noticed that the stock on hand is very small for a large corporation such as ours, the whole stock on hand at stock-taking being equal to only about one month production.

The regular inventory of stock has been carefully taken, and a very ample allowance has been made to cover depreciation in value, interest, commission and etc. which will be more than sufficient to cover any contingency that might possibly occur.

The sales for the year 1887 amounted to \$1,240,671.75 as against \$1,228,463.85 for 1886. It is not expected there will be any appreciable increase in this for the incoming year unless there should be an enhancement in prices which is not looked for at present.

In view of the earnings for the past year a larger dividend might have been paid, but the Board feel that a prudent policy is the wiser course to pursue, believing that regular assured dividends will be more in keeping with the wishes of the shareholders."

The fourth Annual General Meeting held on the 15th February 1889:

"Throughout the year all the machinery in both mills has been kept in active operation,

1933

January 1933

The goods have been sold at satisfactory prices and it will be noticed that the stock on hand is very small for a large corporation even so. The whole stock on hand at year-end being equal to only about one month's production. The regular inventory of stock has been carefully noted, and a very small allowance has been made for year-end depreciation in value. Interest, taxes, etc. will be more than sufficient to cover any contingency that might possibly occur.

The sales for the year 1932 amounted to \$1,240,471.75 as against \$1,145,400.55 for 1931. It is not expected there will be any considerable increase in this for the coming year unless there should be an extraordinary increase which is not looked for at present.

In view of the remarks for the past year a larger dividend might have been paid, but the board feel that a prudent policy in the future would be to keep a reserve fund which dividends will be paid in future years with the interest on the same.

The Board's Annual General Meeting held on the

15th January 1933:

Throughout the year all the machinery in both mills has been kept in active operation.



and we are now running up to the fullest capacity, not a loom being idle in either mill.

5 The goods have been sold at satisfactory prices and it will be noticed that the stock on hand is very small for a large corporation such as this, being only to about one month production.

10 During the early part of last year a trade was opened up with China which has proved of great advantage, assisting us during dull seasons to keep machinery running which otherwise might be standing idle. On the whole the profit from  
15 this trade has been found more satisfactory than at first anticipated.

The sales for the year 1888 amounted to \$1,312,056.24 as against \$1,240,671.75 in 1887, being an increase for the year of over \$70,000.  
20 This must be considered highly satisfactory when it is remembered that at this time last year we imagined we had arrived at our maximum production.

25 Four quarterly dividends of 2-1/2% each have been paid during the year. It is the intention of the directors if re-elected not to increase the rate of dividend at present established believing it more in the interests of the Company to allow the surplus profits to accumulate and  
30 thus dispense with the necessity of the Company borrowing from banks or elsewhere."

and we are now turning up as the following

capacity, not a foot being able to enter this.

The house have been sold at a considerable

prices and it will be noticed that the stock on

hand is very small for a large corporation such

as this, being only about one month's supply.

There

During the early part of last year a trade

was opened up with China which has proved of

great advantage, enabling us to obtain our goods

at very low prices and to sell them at a profit.

On the whole the profits from

the trade in the past have been very satisfactory.

There is still a possibility

The sales for the year 1908 amounted to

\$1,312,000 as against \$1,240,000 in 1907.

Being an increase for the year of over \$70,000.

This must be considered highly satisfactory and

it is anticipated that at this time last year we

may have had a similar result at our various branches.

Our general dividend of 5% each year

has been maintained for the last few years.

At the present time it is expected that the dividend

will be divided at a rate of 5% each year.

It is also expected that the dividend will be

paid in the form of a bonus to the shareholders.

and the company will be able to pay a dividend

of 5% each year.



Special General Meeting held on the 10th of  
April, 1889:

"The Chairman having called the meeting to  
order requested the Secretary to read the ad-  
vertisement from the papers calling the same as  
under."

The first advertisement:

The  
HOCHELAGA COTTON MFG. CO.  
(Limited)

A special general meeting of the  
shareholders of the Hochelaga Manufacturing  
Company will be held at the hour of three  
o'clock in the afternoon on WEDNESDAY, the  
10th day of April next, at the office of the  
company, No.192 Notre Dame street, in the  
city of Montreal, for the purpose of con-  
sidering and acting upon certain proposals  
to purchase the real estate belonging to  
the Magog Textile and Print company, with  
the moveable property therewith, and to take  
such further action in the matter as may  
be deemed advisable.

By order of the Board,  
T. B. Ross,  
Secretary-Treasurer.  
Montreal, 30th March, 1889."

"The Chairman said that when he heard that  
the property was for sale he with Mr. Morrice and

Special General Meeting held on 10th July 1968

The first of these is

907

out to lift on for my finger. A



Mr. Jackson, the manager, had made a visit for the purpose of examining it and they were very favorably impressed with both the mill and machinery which were all in good order, the water power being one of the best in the Dominion. There were in position at the present time 350 looms with space for as many more which they purpose to add and bring it up to its full capacity.

It was moved by Mr. Hugh McLennan and seconded by Mr. Jac Grenier and resolved:

That the projected purchase of the real estate belonging to Sagog Textile and Print Co. with moveable property in connection therewith for the price of \$350,000, \$30,000 whereof payable in stock of this company be hereby approved. That A. F. Gault, Esq., President of this company, be authorized to carry out said purchase and to sign on behalf of this company all necessary deeds to that effect and that the details of said purchase be entirely left to said A. F. Gault. Mr. Morrice and Mr. Jackson also spoke favourably regarding the mill machinery and water power which they said was first-class in every respect and none better in the country."

There was a stock vote taken then and apparently approved.

Memorandum

1988

Mr. Jackson, the manager, has made a visit for the purpose of examining the work of the company.

Mr. Jackson, who is a Mr. Jackson, has

been in the position of Mr. Jackson, who

has been in the position of Mr. Jackson, who

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has been in the position of Mr. Jackson, who

has been in the position of Mr. Jackson, who



Meeting of the Board of Directors of the 26th  
March, 1890:

5 "The President stated that during the last  
12 months he had been frequently approached by  
parties representing themselves to be agents for  
English Syndicates who were prepared to buy up all  
the cotton industry in the country and that within  
the last few weeks he had been approached by some  
10 New York agents who were anxious to take up the  
matter of buying up all the mills. The President  
stated that with a view of testing how far this  
arrangement might be carried out it was the in-  
15 tention of Mr. Morrice and himself to go on to  
New York and interview these parties and satisfy  
themselves as to the desirability of going on  
any further or allow the matter to drop. It  
was understood that on their return a meeting of  
20 directors would be called with a view of acquaint-  
ing them with the decision they might arrive  
at."

That was signed A. F. Gault, President.

25 Board Meeting of the 8th April, 1890:

"With reference to the Syndicate the Presi-  
dent stated that he with Mr. Morrice had gone  
to New York and had interviewed the parties and  
they found that they would only operate with  
30 mills that were a dividend paying concern.

Meeting of the Board of Directors of the Bank

1911

The President stated that during the last

year he had been liberally assisted by

persons who were interested in the Bank and

that on January 1st he was ordered to pay to

the Bank the sum of \$100,000 and that within

the last few weeks he had been liberally assisted

by persons who were interested in the Bank and

order of paying to all the Bank. The President

stated that with a view of facilitating the

business of the Bank he had been liberally

assisted by persons who were interested in the

Bank and that he had been liberally assisted

by persons who were interested in the Bank

any further or after the matter to drop. It

was understood that on this subject a letter

directed would be called with a view of

the matter of the Bank and that

that was the case. The President

stated that the Bank had been

liberally assisted by persons who were

interested in the Bank and that

he had been liberally assisted by persons

who were interested in the Bank

and that he had been liberally

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5694

Eversfield

He also stated that it was his intention to proceed to England about the 20th inst. and he would see what could be done in London towards disposing of the Hochelaga property. After further explanation the Board resolved to place all the property of the Company in his hands, the price to be for the three mills \$3,000,000. less 5% to be allowed for expenses. The Company agreeing to take one-third stock in a new Company to be formed. The directors agreed to sign a paper pledging themselves to use their influence with the stockholders to carry out the terms as herein set forth."

Board Meeting of the 29th of July, 1890:

"It was moved by Mr. Ewing and seconded by Mr. Morrice that the quarterly dividend of 2-1/2% be paid to the shareholders on the 1st of September and that the Secretary advertise the same.

The President gave a short account of the mission to London with a view of forming a Syndicate to buy up all the Canadian mills which although not successful at the moment could in his opinion be worked up later on. He advised the Board that an effort should be made by this Company to acquire as many of the grey cotton mills as could be got at moderate

He also stated that it was his intention to proceed to England about the 10th inst. and he would see what could be done in London towards

the formation of a new company.

All the property of the company in this country, the price to be for the three mills \$2,000,000. less to be allowed for expenses. The company

was to be a one-third stock in a new company to be formed. The directors agreed to

sign a letter to the directors of the other companies and to the shareholders to carry out

the terms as herein set forth.

It was moved by Mr. King and seconded

by Mr. Morris that the quarterly dividend of 2-1/2% be paid to the shareholders on the 1st of January and that the necessary arrangements be made.

The President gave a short account of the

situation in London with a view to forming a

Synthetic to buy up all the iron mills

in the West Virginia and Kentucky.

could in his opinion be worked to better

be advised that the Board had a report that

made by this company is a very good one and

very good for this as well as for the other



prices with a view to place the whole on the English market at a later period."

Board Meeting of the 26th August, 1890:

"It was moved by Mr. R. L Gault and seconded by Mr. Morrice and it was resolved:

That in order to give this Company more working capital for the purpose of enabling the Company to buy stocks of raw cotton in advance and for other purposes, the directors hereby authorize and issue up stocks at par to the extent of \$225,000.00 and that said stock be offered to the present shareholders in the proportion of one share to every five shares held in their name, as may be shown on the books of the Company on the 20th day of September next."

Special Meeting 15th September, 1890:

"The President said I have called you together at this Special Meeting for the purpose of consulting you on what has for a long time engaged the attention of Mr. Morrice and myself, namely, the acquisition of all the grey cotton mills. I would mention the name as follows:

The Halifax Mill

The Windsor Mill

The Moncton Mill

The St. John Mill

pieces with a view to place the whole on the

highway and to place the whole on the

highway and to place the whole on the

"It was moved by Mr. A. G. Smith and

seconded by Mr. A. G. Smith and it was resolved:

That in order to give this country more

control over the land and to place the whole on the

highway and to place the whole on the

highway and to place the whole on the

highway and to place the whole on the

highway and to place the whole on the

to the extent of \$100,000.00 and that said road

be added to the present grant-in-aid in the

operation of the same to carry the same

to the extent of \$100,000.00 and that said road

be added to the present grant-in-aid in the

operation of the same to carry the same

operation of the same to carry the same

"The President said I have called you

together at this point in order to see

what is the result of your work and to see

what is the result of your work and to see

what is the result of your work and to see

what is the result of your work and to see

what is the result of your work and to see

The President said

The President said

The President said

The President said

The President said



The Coaticook Mill.

The Chambly Mill

The Kingston Mill

The Brantford Mill

some 8 in all.

We think the time is now ripe for action and we have laid the scheme before our Bankers and I think I may say we have their unqualified support.

It will I presume be necessary to apply for a new Charter from the Dominion Government in order to hold property in the different Provinces, and it is our intention with your approval to ask for a Charter with a Capital of Four Million dollars for a Company to be called 'The Hochelaga Cotton Co. with power to buy and acquire any Mills the Directors may authorize. We think the whole of the Mills can be bought for the sum of \$1,250,000.00 or perhaps less.

We instructed Mr. Jackson to make up a statement giving his views on what he considered might be taken out of the various Mills and will now read you Mr. Jackson's report which if we take it as correct, and we have no reason to do otherwise, shows a most satisfactory result.

Investment

1964

Dear Mr. [Name]

Reference is made to your letter of September 15, 1964.

Enclosed for you are two copies of the report of the

Investment Committee dated September 10, 1964.

Some 2 in all.

The first copy is for your information and the second copy is for the Investment Committee. I think the time is now ripe for action and to have the Investment Committee meet on September 15, 1964. I think I may not be able to attend on September 15, 1964.

It will be necessary to make a new decision from the Investment Committee in order to put property in the different

properties, and it is our intention with your approval to ask for a charter with a capital

to be set up with the Investment Committee to be set up, the Investment Committee to be set up, with power to

to be set up with the Investment Committee to be set up

properties. We have the whole of the Investment Committee for the sum of \$1,000,000.00 or

no investment in the Investment Committee to be set up

statement giving the views on what the Investment Committee might be taken out of the various bills and will

now put you on. The Investment Committee will be set up

is an investment, and we have no reason to do

otherwise, show a great satisfactory result.



| Name of Mill | Location       | Spindles | Looms | Original Cost | Price Wanted | Estimated Profit |
|--------------|----------------|----------|-------|---------------|--------------|------------------|
| Nova Scotia  | Nova Scotia    | 18000    | 390   | 390000        | 250000       | 88036            |
| Coaticook    | Coaticook      | 12000    | 231   | 203000        | 120000       | 46072            |
| Craven       | Brantford      | 9350     | 250   | 250000        | 150000       | 46000            |
| Kingston     | Kingston       | 10280    | 295   | 210000        | 130000       | 55952            |
| Parks & Son  | St. Johns N.B. | 12500    | 299   | 355000        | 150000       | 24912            |
| Chambly      | Chambly        | 6300     | 149   | 140000        | 60000        | 22256            |

THE COMMISSIONER: Just a minute, I want to make sure what that figure of estimated profit means. Does it mean profit to the purchaser on making the purchase?

MR. McRUER: That is just a statement that is here. It is a statement I think of profit they are going to make on the deal.

THE COMMISSIONER: What the purchaser was going to make?

MR. McRUER: I should judge so. There is a remark comes afterwards that rather indicates that.

| Name of Mill | Location      | Spindles | Looms | Original Cost | Price Wanted | Estimated Profit |
|--------------|---------------|----------|-------|---------------|--------------|------------------|
| Moncton      | Moncton, N.B. | 11,368   | 241   | 227,000       | 140,000      | 35,256           |
| Windsor      | Windsor, N.B. | 10,680   | 274   | 215,000       | 120,000      | 49,982           |

Total number of spindles 90,578. Total number of looms 2,150. The total original cost \$2,030,000. Price wanted \$1,150,000. Estimated Profits \$398,466.

Then remarks: "Less estimated interest on goods in process, raw material, insurance and general &c.

\$75,000. Would leave a nett amount of \$323,466.

Upon \$1,150,000 or about 28%.

1951-

Estimated Profit

1951-

1951-

|       |       |       |       |       |       |       |       |       |       |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |
| 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- | 1951- |

1951-1952: That a figure, I want to make

use that that figure of estimated profit means. I

mean profit to the promoter on an as the promoter

with a statement that is just a statement that is

it is a statement I think of profit they are

to be on the total.

1951-1952: That the promoter was

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1951-1952: I should have said. There is a

which some afterwards was. Rather indicated that.

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"Mr. Grenier said that it was such a big undertaking that for himself he would like time to think it over. The President having taken the views of the meeting on the question, Mr. Morrice read the following resolution:

The President having laid before the meeting the question of the desirability of acquiring the control of the other Mills in the Dominion making grey cotton, submitting for the information of the board figures as to the probable profit to be derived therefrom and after having heard further statements relating thereto and having discussed the matter fully, resolved that the whole matter be left in the hands of the executive committee to carry out and make such arrangements either by lease or purchase as they may find most desirable in the interests of the Company and that to enable the aforesaid to be carried to a successful issue this meeting authorizes that application be made to the Dominion Government for a charter covering the requirements of the case, and further should it be found necessary to purchase the said Mills this meeting agrees to advise an issue of bonds for the purpose of carrying out the same either by direct payment to the said Mills or by obtaining a loan on the same to be issued for said purchase.

and it was then a

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All the above to be submitted to a General Meeting of the shareholders for their approval. Further action was then deferred to the next monthly meeting of the Board.

5

R. L. Gault  
Chairman"

Special Meeting 12th December, 1890. The President  
C. F. Gault, Esq. in the Chair.

10

"The Chairman having called the meeting to order requested the Secretary to read the advertisement calling the meeting as follows:

THE  
THE HOCHELAGA COTTON M'FG CO.  
Limited  
---

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A Special General Meeting of the shareholders of the Hochelaga Cotton Mfg. Co. will be held at the office of the Company on Friday, the 12th day of December, 1890, at three o'clock P.M. for the purpose of taking into consideration the advisability of selling the assets and properties of the Company to the Dominion Cotton Mills Company (Limited), when organized, and accept in payment thereof unassessable shares in the latter company.

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By order,  
T. B. ROSS,  
Sec-Treas.

The President then read the following:

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100-100000

100-100000

100-100000

100-100000

At the meeting of the shareholders of the company held on the 10th day of January, 1940, the following resolution was adopted:

Resolved, That the company do hereby authorize the Board of Directors to take such action as may be deemed wise and proper in the premises.

2. The Board of Directors is authorized to take such action as may be deemed wise and proper in the premises, and to execute and deliver all certificates of stock and other documents which may be required in connection with the foregoing.

A Special General Meeting of the shareholders of the company will be held at the office of the company on Friday, the 10th day of January, 1940, at three o'clock P.M. for the purpose of considering and voting upon the following resolution:

Resolved, That the company do hereby authorize the Board of Directors to take such action as may be deemed wise and proper in the premises, and to execute and deliver all certificates of stock and other documents which may be required in connection with the foregoing.

The resolution was passed in favor of the same.



5700

Eversfield

Gentlemen:

5           The notice which has just been read will  
convey to you the object of this meeting. Before  
proceeding to act on this notice it is necessary  
for me to convey to you more fully the reasons  
for calling you together. For a long time past  
the directors of this Company have foreseen the  
great advantage that must arise from the control  
10       of all the grey mills being under one central  
management, and it seems to them that the time  
had arrived to carry out a scheme which had been  
present in their minds for some time past. After  
frequent discussions of all the advantages that  
15       would accrue by securing as many of the mills as  
possible it was resolved that it would be ad-  
visable to have the controlling power centred  
in the Hochelaga Cotton Company and that a  
meeting of the directors called for that purpose  
20       in September last it was resolved that the  
President, Mr. Morrice be authorized and em-  
powered to negotiate and purchase as many of  
the mills as could be obtained at reasonable  
25       prices. We have now secured six out of the  
eight and to secure the remaining two will be  
only a matter of time.

30           It was found necessary in order to work all  
the mills under one management that it must be

MEMORANDUM

The notes which have been read will

convey to you the gist of this matter. It is

proceeding to get on this matter it is necessary

for us to agree to get on a little the way

the matter you are in. It is a little bit

the matter is not a matter of

a matter of fact that you are in a

of all the things which are being

and it seems to me that the

and it seems to me that the

present in their minds is a

present in their minds is a

and it seems to me that the

possible it was resolved that it will be

possible to have the controlling

in the National Cotton Company and that

meeting of the directors called for that purpose

to be held last it was resolved that the

and it seems to me that the

and it seems to me that the

the matter is not a matter of

and it seems to me that the

and it seems to me that the

only a matter of time.

It was found necessary in order to

the matter is not a matter of



done under a Dominion charter and after some trouble a charter has been procured under the name of The Dominion Cotton Mills Company.

5 The capital stock is only \$100,000.00 but we have applied for an increase to \$500,000.00, which

we expect to have ratified in a few days. It

now becomes necessary to emerge the Hochelaga

10 Cotton Mfg. Co. into the Dominion Cotton Mills

Company and you will be asked to pass a resolution

today to that effect. In the meantime in

order to strengthen the Company and to give

sufficient working capital a further issue of

15 stock will probably be made at par in proportion

of one share in six which will make the

paid up stock of the Company about \$1,500,000.

It has been urged by some of our friends that

this would be a good time to make an extra distribution

20 of stock or in other words to give a

stock bonus. Although our position would fully

warrant this we deemed it wiser to pursue a

conservative policy and allow the new Company

25 to be in operation for a year, at the end of

which time it could be more easily determined

the earning power of the associated mills and

give stock proportionally to the earning power.

The mills now procured and the two remaining

30 mills it is expected will cost in the vicinity

of \$1,100,000. to pay this and to cover bonds

MEMORANDUM

1901

Some notes on foreign exchange and after some

consideration a small sum has been estimated.

None of the foreign exchange is necessary.

The total cost is only \$100,000.00 and is

less than the cost of the other two.

We expect to have received it in a few days.

Our balance necessary to cover the exchange

is \$100,000.00. In the meantime the balance

is \$100,000.00 and you will be asked to pay a receipt

for the same to the effect. In the meantime it

will be at the disposal of the company and will

be used for the purpose of the company and will

be used for the purpose of the company and will

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be used for the purpose of the company and will

be used for the purpose of the company and will

be used for the purpose of the company and will



now outstanding new bonds will be issued to the extent of \$1,500,000. payable in five years with interest at 6%.

5 We feel very confident that what has been done will greatly improve and increase largely the earning powers of the new Company and we consider that we have acted wisely in the interest of the shareholders of this Company in securing  
10 the control of what under the well-known management that has always been characteristic of this Company must lead to an immense success.

15 We have never promised anything yet that has not been more than realized and if we are spared to the end of another year we think we will show a result that will be more than satisfactory.

20 It was moved by Mr. Hugh McLennan and seconded by Mr. Jas P. Cleghorn:

25 That whereas it being considered expedient that this Company should be consolidated together with several other cotton manufacturing companies which can only be done by means of a Dominion  
30 charter, the directors of this Company having that in view have lately obtained in their individual names Letters Patent under the great seal of the Dominion of Canada incorporating them under the name of the Dominion Cotton Mills Company (Limited) with an authorized capital

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now existing and some will be added to the  
extent of \$1,000,000. It is the  
policy of the company to  
to feel very confident that what has been  
done will greatly improve and increase largely  
the capital value of the new company and a  
company that we have placed wholly in the interest  
of the shareholders of this company in securing  
the control of that great and well-known man-  
agement that has always been characteristic of this  
company must lead to a immense success.  
We have never promised anything yet that  
has not been more than realized and if we are  
graced to the end of another year we think we  
will show a result that will be more than  
satisfactory.  
It witnessed by Mr. J. H. Macdonald and  
attested by Mr. J. H. Macdonald and  
and attested by Mr. J. H. Macdonald and  
that this company should be consolidated together  
with every other well established company  
which will be the best of all things  
of order, the directors of this company having  
that in view have I feel compelled in their  
individual names to state that they have  
and of the position of Canada Incorporated  
and that the company is well established and  
company (limited) with an authorized capital



of \$100,000. but intended to be increased to  
\$5,000,000. and have secured from the Coaticook  
Cotton Mfg. Co., the Nova Scotia Cotton Mfg. Co.,  
the Craven Cotton Mfg. Co., the Kingston Cotton  
Mfg. Co. (Limited), the Moncton Cotton Mfg. Co.  
and the Windsor Cotton Mfg. Co. promises of  
sale of their respective properties, which promises  
of sale they have made over to the said The  
Dominion Cotton Mills Company (Limited).

Be it resolved that the directors be author-  
ized to effect a sale of all the assets and pro-  
perties moveable and immoveable of this Company  
to the Dominion Cotton Mills Company (Limited)  
and accept in payment thereof an amount of  
\$1,277,000. of unassessable stock in the Dominion  
Cotton Mills Company (Limited) to be distributed  
to the shareholders of this Company pro rata to  
the shares owned by them respectively held, said  
The Dominion Cotton Mills Company (Limited)  
assuming all liabilities of this Company, and that  
a clause be inserted in the Deed of Sale whereby  
the privilege shall be reserved to the directors  
of The Dominion Cotton Mills Company (Limited)  
of paying over, when and only in case they deem  
it advisable to the then shareholders of The  
Dominion Cotton Mills Company (Limited) out  
of the increased capital of said Company pro rata





and by way of bonus dividends or otherwise ,  
unassessable shares for an amount not to exceed  
the difference between the price of sale above  
mentioned and the nett actual value of this  
Company's properties and assets.

Mr. McLennan and Mr. Cleghorn both spoke in  
favour of the resolution. "

This resolution carried and there being no  
dissent it was pronounced carried unanimously.

That is the end of that Company.

Q. Then you produced a minute book from the  
records of the Dominion Textile Company which purports  
to be the minute book of the Dominion Cotton Mills  
Company Limited? A. Yes sir.

A meeting of the shareholders on the 1st of  
December, 1890:

"At a meeting of the shareholders of the  
Dominion Cotton Mills Co. held on this the 1st  
day of December, 1890, in the city of Montreal  
No. 21 St. Helen Street were present Messrs.

Andrew F. Gault, Jacques Grenier, David Morrice,  
Samuel H. Twing, Robert E. Gault, Joseph Milleneuve,  
Chas. E. Gault being all the shareholders of  
said company.

That in order to enable the company to  
purchase the properties and assets of amongst  
other companies the following, to-wit:

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5 The Hochelaga Cotton Mfg. Co., the Coaticook  
Cotton Co., the Nova Scotia Cotton Mfg. Co.,  
The Craven Cotton Mfg. Co., The Kingston  
Cotton Mfg. Co. Ltd., The Moncton Cotton Mfg.  
Co. and the Windsor Cotton Mfg. Co. the follow-  
ing bylaw be passed to wit:

by Law No. 1

10 Respecting the increase of the capital  
stock of the company to an amount of five  
million dollars. It is hereby enacted and  
ordered by the directors of The Dominion Cotton  
Mills Co. Ltd. at their meeting held in the  
15 City of Montreal on the 1st day of December  
1890 all the directors being present and by the  
unanimous decision of said directors as follows:

- 20 1. The capital stock of said company is hereby in-  
creased from one hundred thousand dollars to five  
million dollars said increase divided into forty nine  
thousand shares of \$100 each.
- 25 2. Application shall forthwith be made in the name  
of the said company to the Governor General of the  
Dominion of Canada for Letters Patent confirming the  
increase of the capital stock of the company from  
one hundred thousand dollars to five million dollars.

Carried unanimously.

30 It was then moved by J. Grenier Esq. and  
seconded by H. L. Gault Esq. that the President  
and Secretary and Treasurer be authorized to

Revised

2005

The Rochester Cotton Mill Co., the Connecticut

Cotton Co., the New Haven Cotton Mill Co.,

The Eastern Cotton Mill Co., The Kingston

Cotton Mill Co., The New York Cotton Mill Co.,

and the Western Cotton Mill Co. The following

are the names of the

of the

Respecting the increase of the capital

stock of the company to an amount of five

million dollars. It is hereby enacted and

ordered by the directors of the Western Cotton

Mill Co. that at their meeting held in the

City of New York on the 1st day of December

1900 all the direct or indirect interest and by the

unanimous decision of said directors as follows:

1. The capital stock of said company is hereby in-

creased from one hundred thousand dollars to five

million dollars.

2. The directors shall have full power in and

of the said company to the Governor General of the

Province of Canada for letters patent authorizing the

increase of the capital stock of the company from

one hundred thousand dollars to five million dollars.

Witness my hand and seal this 1st day of December

1900.

It was then moved by J. J. Greenleaf, Secy. and

seconded by J. H. Smith, Secy. that the following

are hereby authorized and empowered to execute the



5 purchase the properties and assets of the  
Hochelaga Cotton Mfg. Co. as per valuation  
to be made by Messrs. Wren & Greenwood payable  
in unassessable stock of the Dominion Cotton  
Mills Co. Ltd. and that they be also authorized  
to purchase the properties and assets of the  
said The Coaticook Cotton Co., Nova Scotia  
Cotton Co., The Craven Cotton Co., The Kingston  
10 Cotton Manufacturing Co. Ltd., The Moncton  
Cotton Mfg. Co., the Windsor Cotton Mfg. Co.,  
as per agreement entered into between them  
respectively and Messrs. Andrew P. Gault and  
David Morrice and filed of record with this  
15 company.

Carried unanimously

It was then moved by J.C. Villeneuve Esq.  
and seconded by S. H. Ewing Esq. that in order  
20 to enable this company to carry out the purchase  
of the above mentioned mill properties and pay  
the price thereof the following bylaw be  
passed to wit:

By Law No.2

25 Respecting the issue of one million five hundred  
thousand dollars of Bonds or debentures by the  
Dominion Cotton Mills Co. Ltd.

It is hereby enacted and ordered by the  
30 Directors of the Dominion Cotton Mills Co. Ltd.

2004 2nd Yr



at their meeting held in the city of Montreal  
on the 1st day of December 1890 all the  
directors of said company being present and  
by the unanimous decision of said directors  
as follows:

1. The said company shall issue its bonds or debentures to the amount of one million five hundred thousand dollars. Each bond shall bear mortgage or hypothec on all the immovable properties buildings engines machinery to be acquired by said company.
2. Said bonds or debentures shall be described as a first issue and shall be signed by the president and by the secretary of the company and shall be of the following denominations to wit: one thousand of one thousand dollars each numbered consecutively from 1 to 1000 inclusive. Five hundred of five hundred dollars each numbered consecutively from 1001 to 1500 inclusive, and one thousand of two hundred and fifty dollars each numbered consecutively from 1501 to 2500 inclusive.
3. Said bonds or debentures shall bear date the 2nd of January next, 1891, and be made payable in five years at the Bank of Montreal in the City of Montreal from the date thereof (unless sooner redeemed or paid as hereafter provided) with interest at the rate of six per

as their meeting held in the city of Montreal  
on the 1st day of January 1901 and the  
directors of said company being present and  
by the unanimous decision of said directors  
as follows:  
1. The said company shall have the power to  
subscribe to the amount of one million five  
hundred thousand dollars, and to receive  
mortgage or hypothec of all the immovables  
situated in the city of Montreal, or in the  
vicinity of said city.  
2. Said bonds or debentures shall be issued  
as a first issue and shall be signed by the  
president and by the secretary of the company  
and shall be of the following denominations:  
with one thousand of one thousand dollars  
each numbered consecutively from 1 to 1500  
inclusive. Five hundred of five hundred dollars  
each numbered consecutively from 1501 to 2500  
inclusive, and one hundred of two hundred  
dollars numbered consecutively from 2501 to 3500  
inclusive.  
3. Said bonds or debentures shall bear a  
rate of interest of four, five, six, seven, eight  
and nine per cent of the sum of Montreal  
the city of Montreal from the date the  
(unless sooner redeemed or paid on demand)  
provided, with interest at the rate of six

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annum payable semi-annually.

4. Coupons representing the interest thereon payable as aforesaid and signed with the engraved signature of the secretary of the company shall be annexed to each of said bonds or debentures.

5. In order to give effect to or guarantee the payment of said bonds and coupons the president and secretary of said company shall, for, and in the name of the company grant a mortgage or hypothec by notarial deed to such persons as may accept the same upon the immovable property buildings engines machinery of the company acquired or to be acquired describing it as required by law and making mention of the issue and of the amount of the bond and coupons secured thereby, which said mortgage or hypothec shall exist in favour of the parties accepting same and of the holders of said bonds and coupons concurrently and shall take rank and priority dating from the registration of said deed of mortgage or hypothec.

6. As additional security for the payment of said bonds and coupons the buildings engines and machinery being at any time in and upon the immovable properties of the company acquired or to be acquired as aforesaid shall be kept insured

THE BOARD OF DIRECTORS

A. The Board of Directors of the Company

has resolved to issue the following

statement of the results of the

operations of the Company for the

year ended 31st December 1921.

3. In order to give effect to the

recommendations of the Board the

Company has decided to issue the

following statement of the results of the

operations of the Company for the

year ended 31st December 1921.

movable property belonging to the

Company is estimated to be worth

approximately £10,000 and the

total amount of the assets of the

Company is estimated to be worth

approximately £10,000 and the

total amount of the liabilities of the

Company is estimated to be worth

approximately £10,000 and the

total amount of the assets of the

Company is estimated to be worth

approximately £10,000 and the

total amount of the liabilities of the

Company is estimated to be worth

approximately £10,000 and the



in the name of trustees for the holders of  
said bonds and coupons for a sum of one  
million five hundred thousand dollars or for  
any balance thereof remaining unpaid and in  
their default to do so the said trustees shall  
be at liberty to effect or renew such insurance  
at the cost and expense of said company.

And in the case of damage to or destruction  
to said buildings engines and machinery by fire  
the said trustees shall have power to collect  
the amount payable and out of the same shall  
on application of the directors of said company  
pay them the amount deemed necessary for re-  
pairs or reconstruction in order that the  
business of the said company may be carried on  
or if by decision of the board of directors  
it be decided not to reconstruct the said  
trustees shall pay said insurance amount for the  
purpose of redeeming even before maturity such  
of the bonds or debentures as shall be declared  
redeemed by the directors of the company after  
they have made a drawing for the purpose in the  
manner they deem proper.

A notice of the redemption mentioning the  
numbers of the bonds or debentures so redeemed  
shall be published under the signature of the  
secretary of the company for two consecutive  
weeks in one English and one French newspaper

in the name of trustee as for the holders of  
 said bonds and coupons for a sum of one  
 million five hundred thousand dollars or for  
 any balance thereof remaining unpaid and in  
 their behalf to do so the said trustees shall  
 be at liberty to effect or renew such insurance  
 at the cost and expense of said company.  
 and in the case of damage to or destruction  
 of said buildings engines and machinery by fire  
 the said trustees shall have power to collect  
 the amount payable and out of the same shall  
 on application of the directors of said company  
 pay then the amount deemed necessary for re-  
 pairs or reconstruction in order that the  
 business of the said company may be carried on  
 or all or any portion of the said or otherwise  
 it be decided not to reconstruct the said  
 buildings the said trustees shall have power to  
 pay out of the said funds or otherwise as shall be deemed  
 necessary by the directors of the company after  
 they have made a finding for the purpose in the  
 manner they deem best.  
 A notice of the resolution mentioned in the  
 minutes of the meeting of the directors on the subject  
 shall be published under the signature of the  
 secretary of the company for two consecutive  
 weeks in one English and one French newspaper.

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published in the city of Montreal and from the date of the last insertion of said notice the bonds or debentures advertised as redeemed as aforesaid shall be considered cancelled and on surrendering the same with coupons the holders thereof shall be entitled to be paid by said company the amount of said bonds or debentures with accrued interest on same up to date of last insertion.

7. Provision shall be made in the deed of mortgage or hypothec to be granted as aforesaid for the cancellation of the registration of such mortgage or hypothec upon the payment of said bonds or debentures. Carried

Board meeting of the 31st December, 1890:

"That the President and secretary of this company be authorized to deliver by scrip or otherwise to the Hochelaga Cotton Mfg. Co. directly or by distribution to its shareholders pro rata to the amount of shares by them respectively held one million two hundred and seventy seven thousand dollars of unassessable stock of this company and this in payment of the purchase price of the property of the said Hochelaga Cotton Mfg. Co. pursuant to the memorandum of agreement entered into between the two companies on the 15th instant. . .





Special meeting January 12th, 1891:

"It was moved by Mr. D. H. Ewing and  
seconded by Mr. C. A. Gault and resolved.  
That in consideration of the very large  
aquisition by purchase of mill property by  
this company in Nova Scotia, New Brunswick,  
Quebec and Ontario, and for the purpose of  
giving increased facilities for carrying on the  
business of the company the directors hereby  
authorize an issue of stock of this company  
at par to the extent of two hundred and fifty  
thousand dollars and that said stock be offered  
to the present shareholders in the proportion  
of one share to every six shares held in their  
name, as may be shown by the books of the  
company on the 10th day of March next."

Board meeting, 27th January, 1891:

"The statements of production sales &c.  
were read to the Board, the sales for the  
month of December were Hochelaga \$251,914.96,  
Magog \$145,905.81, Total \$397,820.77.

It was also ordered that the usual quarterly  
dividend of 2-1/2% be paid to the shareholders  
on the 1st day of March.

General meeting 10th of April, 1891:

"It is gratifying to be able to inform  
you that everything has merged into the new  
company and all the necessary changes made





without any interruption or unpleasantness of any kind.

5 A great amount of work has been accomplished not only in procuring the charter and in overcoming the many difficulties and formalities incident to a change of this kind, and especially in getting all the newly acquired mills into working order so that it may now be said the whole nine separate mills owned and worked by  
10 this company are all running in full operation.

It is not necessary to inform you that your directors and especially the manager of this company have not found their duties lessened  
15 by the recent acquirement, but on the whole everything has been worked so well and so much to the advantage of the company that they are greatly pleased with the result so far, and they have every reason to believe that all that was  
20 predicted and promised to the shareholders at the meeting held on the 12th of December last will be fully realized.

25 The company now controls about four thousand six hundred looms, the last acquirement being the Chambly mills which was obtained on very reasonable and satisfactory terms. This mill is the only one not running at the present time but it is expected that within a month from now  
30 it will be in operation.

without any interruption or unhappiness of

my first.

A great amount of work has been accomplished

not only in the past but also in the present

and the many of the best and most

valuable to a change of mind, and especially

in getting all the best selected mills into

working order so that it may now be said the

whole nine separate mills owned and worked by

this company are all running in full operation.

It is not necessary to inform you that

the company has been very successful in

this company have not found their duties

by the recent and great, but on the whole

everything has been worked as well and as much

to the advantage of the company that they are

greatly pleased with the result so far, and they

have every reason to believe that all that was

predicted and promised to the shareholders at

the meeting held on the 12th of October last

will be fully realized.

The company has now about 100,000 tons of

air handled in one, the last 100,000 tons being

the (Thames) mills which was worked on very

reasonable and satisfactory terms. This will

be the only one not worked at the present time

and it is expected that within a short time

it will be in operation.

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Owing to the extra stock taking in November it was found necessary to postpone the annual meeting and the present stock taking covers a period of fourteen months ending 28th February instead of 31st December as heretofore.

The sales for the 14 months amount to \$2,143,560.00. Cotton used during the year amounted to fourteen 17472 bales, 8,883,688 pounds which produced 20,897,402 yards.

The print mill at Magog turning out 7,861,374 yards of printed cloth.

The net balance after paying all current interest, general expenses, bad debts and etc. shows the very handsome profit of \$313,638.00 which after paying four dividends of 2-1/2% each leaves the sum of \$204,876.33 to be added to the credit of profit and loss account."

Meeting of the Board of Directors on the 13th of April, 1892: Annual Meeting of the Shareholders of the 13th April, 1892:

"Your directors have very great pleasure in meeting the shareholders on this the second annual meeting of the Dominion Cotton Mills Co.

Your directors are pleased at being able to state that the premises held out at the time of the proposed amalgamation of the several mills now incorporated in this company have been fully realized and the result of the year's





business has been most gratifying. The various mills are now all working together under one central control and each contributing its quota to the welfare of all concerned instead of as formerly each mill fighting a life and death struggle for existence.

It is also gratifying to be able to say that the success achieved has been done without in any case having had to increase the price.

All the mills controlled by the corporation have been kept running without interruption during the year. There is still an over production of some classes of goods, especially grey cotton and we have been obliged to seek a foreign market in order to dispose of the production of from 400 to 500 looms, which seems to be about the surplus of looms over and above what is required to supply the wants of the Dominion.

The company now controls upward of 4,300 looms and employ about 3,200 hands and pays out in wages annually the large sum of \$748,438.00 or about \$63,000 a month. We have used 25,809 bales of cotton or 1,299,5280 pounds which produced 42,771,822 yards of cloth including 9,564,709 yards manufactured into prints at Magog. The sales for the year amounted to

WEDNESDAY

1918

various mills are now all working together  
under one central control and each contributing  
its quota to the welfare of all concerned  
instead of an formerly each mill fighting a  
life and death struggle for existence.  
it is also gratifying to be able to say  
that the success achieved has been done without  
in any case having had to increase the price.  
All the mills controlled by the corpora-  
tion have been kept running without interruption  
during the year. There is still no over prod-  
uction of some goods as in the case of  
cotton and we have been obliged to use a  
foreign market in order to dispose of the pro-  
duction of from 400 to 500 looms, which means  
to be about the surplus of looms over and above  
what is required to supply the wants of the

The company now controls a power of 4,000  
looms and employs about 2,000 hands and pays out  
in wages annually the large sum of \$1,000,000.  
or about \$40,000 a month. We have used  
25,000 bales of cotton or 1,250,000 pounds and  
3,500,000 lbs of woolen yarn in the production of  
1,000,000 yards of cloth.

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\$4,839,019 the whole production averaging a fraction less than 6-3/4 cents per yard.

5 The net balance after paying all current expenses interest on general accounts, interest on bonds, four dividends of 2-1/2% each and writing off the sum of \$18,206.95 for bad debts leaves the sum of \$159,062.00 to be carried to profit and loss account, which ought  
10 to be considered an excellent showing and clearly proves the value of well directed concentrated effort. The company has acquired during the year ~~some~~ some 65,000 ft. of land known as the Darling property at a very low  
15 price which from its immediate proximity to the mill and looking forward to future requirements will no doubt soon become a valuable acquisition. They have also acquired a mill at  
20 Brantford known as the Slater Winzy Mill at a very low price. It was expected that at the time of purchase that we would be able to utilize this property but so far it has not  
25 been thought wise to open it.

The Commission adjourned at 12.30 P.M. to be resumed at 2.00 P.M.

(Page 5720 follows)

1914

1914

12,839,019 the whole production averaging

positive from 1911 to 1914.

The net balance after paying all charges

on bonds, four dividends of 2-1/2% each and

valuation of the sum of \$18,300.00 for 1914

and the sum of \$18,300.00 for 1915

and the sum of \$18,300.00 for 1916

and the sum of \$18,300.00 for 1917

and the sum of \$18,300.00 for 1918

and the sum of \$18,300.00 for 1919

and the sum of \$18,300.00 for 1920

and the sum of \$18,300.00 for 1921

and the sum of \$18,300.00 for 1922

and the sum of \$18,300.00 for 1923

and the sum of \$18,300.00 for 1924

and the sum of \$18,300.00 for 1925

and the sum of \$18,300.00 for 1926

and the sum of \$18,300.00 for 1927

and the sum of \$18,300.00 for 1928

and the sum of \$18,300.00 for 1929

and the sum of \$18,300.00 for 1930

and the sum of \$18,300.00 for 1931

and the sum of \$18,300.00 for 1932

and the sum of \$18,300.00 for 1933

and the sum of \$18,300.00 for 1934

and the sum of \$18,300.00 for 1935

and the sum of \$18,300.00 for 1936

and the sum of \$18,300.00 for 1937

and the sum of \$18,300.00 for 1938

and the sum of \$18,300.00 for 1939

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AFTERNOON SESSION

-- On resuming at 2 P.M.

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THE COMMISSIONER: All right, Mr. McRuer.

MR. McRUER: Page 54, special meeting 11th July, 1892:

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"I twas resolved that the Dominion Cotton Mills Co. Limited agree and approve and confirm an arrangement entered into this day with the Montmorency Cotton Manufacturing Co. Limited, as per notarial agreement passed this day by Marler, M.P., and that Mr. D. Morrice, be now and is hereby appointed on behalf of this company to sign the said notarial agreement.

15

(Signed) R. L. Gault,

Chairman."

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Then page 57, special meeting, 5th September, 1892:

At a meeting of the Board of Directors it was moved and resolved:

25

That whereas at the time of the organization of this Company the assets and properties movable and immovable of the Hochelage Manufacturing Co., valued at \$2,668,168.24 after deduction made for all liabilities, were purchased by this company for a sum of \$1,277,000 with the privilege of for the latter of paying over whenever it deemed advisable out of its increased

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RECORDS OF THE BOARD OF DIRECTORS

... 1923 ...

The Board of Directors of the American Standard Oil Company, Inc., met on the 15th day of January, 1923, at the City of New York, New York.

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At a meeting of the Board of Directors of the American Standard Oil Company, Inc., held on the 15th day of January, 1923, at the City of New York, New York, the following resolutions were adopted:

Resolved, That the Board of Directors of the American Standard Oil Company, Inc., do hereby authorize the President of the Company to execute and deliver to the Secretary of the State of New York, New York, a certificate of incorporation for the American Standard Oil Company, Inc., as provided in the Charter of the Company, and to do all such other and lawful acts as may be necessary to carry out the purposes of the Charter.

Then says Dr. Special meeting, 15th January, 1923.

At a meeting of the Board of Directors of the American Standard Oil Company, Inc., held on the 15th day of January, 1923, at the City of New York, New York, the following resolutions were adopted:

Resolved, That the Board of Directors of the American Standard Oil Company, Inc., do hereby authorize the President of the Company to execute and deliver to the Secretary of the State of New York, New York, a certificate of incorporation for the American Standard Oil Company, Inc., as provided in the Charter of the Company, and to do all such other and lawful acts as may be necessary to carry out the purposes of the Charter.



capital to its shareholders for the time being  
pro rata and by way of bonus, dividends, or  
otherwise, un-assessable shares to an amount  
not exceeding \$1,393,168 being the difference  
between the two above-mentioned sums. The  
whole as provided for in and by the memorandum  
of agreement of date the 15th day of December,  
1890 lodged with the Secretary of State.

Be it resolved that shares of a par value  
of \$1,517,700 in the capital stock of this  
Company unassessable up to 90 per cent. be hereby  
issued and allotted to the shareholders, as  
registered on this company's books on the 15th  
instant in the proportion of one share for each  
share by them respectively held and by reason  
of their owning such shares, and that the 10%  
remaining unpaid on said stock be hereby called  
up, and be made payable at this company's office  
on the 20th day of September, 1892."

MR. BALLANTYNE: Mr. McRuer, is it the shareholders  
of the Hochelaga, that got one for one, or the  
shareholders of the New Company? I don't quite  
understand that. Did they get shares of the old  
Company, or what?

THE COMMISSIONER: Will you please read that again:

THE SECRETARY: "That whereas at the time of  
the organization of this Company the assets and  
properties movable and immovable of the Hochelaga

...in the ...

...and by way of bonus, dividends, or

otherwise, an-amountable amount to an amount

not exceeding \$1,300,000 being the difference

between the two above-mentioned sums. The

whole as provided for in and by the memorandum

of agreement of date the 13th day of December,

1920 lodged with the secretary of state.

It is resolved that shares of a par value

of \$1,500 in the capital stock of this

company amounting to 50 per cent. be hereby

issued and allotted to the shareholders, as

registered on this company's books on the 13th

instant in the proportion of one share for each

share of the old company held on the 13th

of April 1913, and that the 13th

remaining unpaid on said stock be hereby called

up, and be made payable at this company's office

on the 13th day of September, 1925."

...the ...

...of the ...

...of the ...

...and that the ...

...or what?

...the ...

...the ...

...the ...

...the ...



5 Cotton Manufacturing Co. valued at \$2,668,168.24  
after deduction made for all liabilities, were  
purchased by this Company for a sum of \$1,277,000  
with a privilege for the latter of paying over  
whenever it should be deemed advisable out of  
its increased capital to its shareholders for  
the time being pro rata and by way of bonus  
dividend or otherwise, unassessable shares to an  
10 amount not exceeding \$1,391,168. being the  
difference between the two above-mentioned sums.  
The whole as provided for in and by the memorandum  
of agreement of date the 15th day of December,  
1890, lodged with the Secretary of State."

15 THE COMMISSIONER: You say there is some conflict  
between that and some other?

MR. BALLANTYNE: No, my lord. I did not understand  
it, and do not yet quite understand which shareholders  
20 are to get the additional shares.

MR. MERUER: It is quite clear in the next  
paragraph, my lord.

25 THE SECRETARY: "Be it resolved that shares  
of the par value of \$1,517,700. in the capital stock  
of this company unassessable up to 90 per cent.  
be hereby issued and allotted to the shareholders  
as registered on this Company's books on the  
15th instant, in the proportion of one share  
30 for each share by them respectively held."

Cotton Manufacturing Co. valued at \$1,388,188.

and the same was for all time.

obtained by this company for a sum of \$1,277,188.

with a privilege for the latter of paying over

whenever it should be deemed advisable out of

its increased capital to its shareholders for

the time being pro rata and by way of bonus

dividend or otherwise, unassessable shares to a

amount not exceeding \$1,381,188, being the

difference between the two above-mentioned sums

The whole as provided for in and by the resolution

of agreement of date the 11th day of December,

1890, lodged with the secretary of state.

The witness said: You say there is some conflict

between that and some other?

MR. HUNT: No, my lord. I did not understand

it, and do not yet quite understand which she referred

to in her examination.

MR. HUNT: It is quite clear in the report

of the company.

of the value of \$1,314,788 in the capital stock

of this company unassessable up to 50 per cent.

be hereby issued and allotted to the shareholders

as registered on this company's books on the

last instant, in the proportion of one share

for each share of value respectively held.

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5723

Eversfield,

MR. McRUER: Then the next one, page 69, Annual meeting held on the 13th April, 1893.

5 THE SECRETARY: "Your Directors are pleased to inform the shareholders that the year just ended has been one of the best that the Company has yet experienced. All the mills worked by the Company have been kept actively employed throughout the year and the output has been

10 considerably increased over last year especially has this been the case at the Hagog Print Works, the production of which has increased from 8,000,000 yards in 1892 to over 12,000,000 yards in 1893.

15 Your Manager has been kept busy not only in regard to the outputs of the various mills but also in making new improvements whereby the production can be increased and the cost of manufacture reduced, and that nearly every mill owned by the company some new improvements have been made during the year.

20

25 In Hochelaga the old mill known as the Hudon, or No. 1, Mill has undergone a complete change. New looms, cards, and card clothing and new spinning machinery have taken the place of the old. Several new boilers have also been put in and a large storehouse for raw cotton has been erected on the Darling property, Davidson Street, capable of holding about

30

Mr. McNeill: From the next one, page 88, a

meeting held on the 11th April, 1933.

The following is a summary of the

to inform the shareholders of the

ended in a loss of £100,000 for the year

has yet experienced. All the mills worked by

the Company have been kept actively employed

throughout the year and the output has been

consistently maintained at a level of

has this been the case at the various mills

the production of which has been

£1,000,000 yards in 1932 to over £1,500,000 yards

in 1933.

Your Manager has been kept busy not only

in regard to the output of the various mills

but also in making new improvements whereby

the production can be increased and the cost

of maintenance reduced, and that really every

will owed by the company some new improvements

have been made during the year.

In November the oil mill began to

produce, or No. 1, Mill has undergone a complete

reconstruction, which will enable it to

and new spinning machinery have taken the place

of the old machinery and will now be able

to produce a much larger quantity of yarn

than the old machinery was capable of

producing and will also be able to

produce a much larger quantity of yarn

than the old machinery was capable of

producing and will also be able to



5,000 bales. Other improvements have been commenced with a view to increasing the capacity of the bleachery which has been for a long time cramped and over-crowded with the work it is required to do.

At Ste Anne's mill a considerable addition has been made giving more space for spinning and weaving.

At Windsor, an electric light plant has been put in replacing the coal oil lamps which were not only troublesome and unsightly but dangerous.

Moncton has added some 30 looms during the year, also some spinning machinery, making it now one of the best balanced mills owned by the company.

Magog, new boilers have been put in, also a very fine new store house for storage of cotton and supplies has been erected. Three pairs of cottages for the foremen have been contracted for and are now in course of erection on the Company's property not far from the mill.

It has been felt by your directors for some time past that a considerable outlay would have to be made in order to meet the growing want in print trade, viz., to be able to do indigo blue dyeing, and after several meetings of the Directors' Committee, it was resolved to take

8784

Investigation

...the ...  
...with a view to increasing the ...  
...of the machinery which has been for a long ...  
...erected and over-erected with the work it is ...  
...required to do.  
...  
...has been made since ... for ...  
...and ...  
...been for in replacing the coal oil ...  
...not only ... and ...  
...has added some ... during ...  
...year, also some ... making ...  
...now one of the best ... owned by ...  
...  
...new ... have been put in, also ...  
...a very fine new ... for storage of ...  
...and ... has been erected. ...  
...of ... for the ... have been ...  
...for and are now in course of erection on the ...  
...  
...it has been ... by your ... for ...  
...that a ... only ... have ...  
...be made in order to meet the ... want in ...  
...first ... viz., to be able to ...  
...after several ... of the ...  
...is ... to ...



up this branch of the work and contracts have been given for a suitable building and the necessary plant and it is expected that this very promising and profitable addition to the print works will be ready to commence operations about the 1st of August next. From this it will be seen that your directors and manager have been actively employed. Their intention and determination is to leave no stone unturned that will in their opinion add to the financial success and prestige of this now large and important corporation.

The Company now controls about 4500 looms and employs about 3400 hands and has paid out in wages during the last year the large sum of \$810,000 or about \$68,000 a month.

The sales for the year amount to \$3,178,796.07 as against \$2,839,019.00 in 1898, an increase of ~~\$2,397~~ \$239,777 in favour of the present year. The net balance after paying all current expenses, interest on general account, interest on bonds, four dividends amounting to \$174,367, writing off the sum of \$56,021.04 for repairs, and the very small sum of \$4,809.42 for bad debts, leaves a net surplus of \$220,343.05 to carry to profit and loss account.

The paid-up capital of the company now stands at \$3,033,600 and it is estimated that the value

1935

up this branch of the work and contractors have  
been given for a suitable building and the  
necessary plant and it is expected that this  
very promising and profitable addition to the  
plant work will be ready to commence operation  
about the first of August next. From this it  
will be seen that your directors and managers  
have been actively employed. Their intention  
and determination is to leave no stone unturned  
that will in their opinion lead to the financial  
success and growth of this new branch and  
the company.

The company now controls about 2000 shares  
and employs about 2400 hands and has paid out  
in wages during the last year the large sum of  
\$210,000 or about \$28,000 a month.  
The wages for the year amount to \$2,170,000  
as against \$1,880,000 in 1934, an increase  
of \$290,000. The balance of the company's  
income after payment of all expenses of an  
interest on general account, interest on bonds  
four dividends amounting to \$124,887, and the  
sum of \$20,000 for repairs, and the very  
small sum of \$4,000 for bad debts, leaves  
and loss account.

The paid-up capital of the company was at  
at \$5,000,000 and it is estimated that the value



of the company's several mills and properties is in the vicinity of \$5,000,000 so that it will be seen that although the capital stock was largely increased last year your directors had good ground for the action taken in this respect.

You will have noticed that there has been considerable agitation for some time past in and out of Parliament with regard to a revision of Tariff. This agitation has no doubt been viewed by many of our shareholders with some apprehension but we have reason to believe that the good sense of the people of this country will not allow any action endangering the prosperity of an industry which has done so much for the general welfare of the Dominion. Your directors would say to the shareholders not to be anxious about this matter. There will doubtless be some change in the tariff, but whatever be the result we think and believe this company will always be in a position to earn a good respectable dividend to the usual statements of the trade account, profit and loss account, and of the assets and liabilities of the company will now be read to you."

MR. McRUER: Page 87.

THE SECRETARY: "Board meeting, 30th of January, 1894.

of the company's assets and liabilities  
is in the vicinity of \$2,000,000 so that it  
will be seen that although the capital stock  
has been increased last year, the company  
had good ground for the action taken in this  
respect.

You will have noticed that there has been  
considerable agitation for some time past in  
and out of Parliament with regard to a revision  
of Tariff. This agitation has no doubt been  
aroused by many of our countrymen with some  
reasons but we have reason to believe that  
the good sense of the people of this country will  
not allow any action endangering the prosperity  
of an industry which has done so much for the  
general welfare of the Dominion.

would say to the shareholders not to be misled  
by any statement, that any change in  
some change in the tariff, but whatever be the  
result we think and believe this company will  
always be in a position to earn a good return  
on its investment and to pay a good dividend  
to its shareholders, and of the  
assets and liabilities of the company will not  
be read to you."

and the company will not

the company's assets and liabilities

1911



The President read the report on the values of the several properties of the Company as rendered by Messrs. Pringle and Greenwood which was approved by the Board as follows:

|    |              |                  |
|----|--------------|------------------|
| 5  | Hochelaga,   | \$1,516,677.01   |
|    | Magog,       | 1,125,303.78     |
|    | Ste Annes,   | 499,309.59       |
|    | Coaticook,   | 136,640.90       |
| 10 | Halifax,     | 387,716.20       |
|    | Moncton,     | 261,822.72       |
|    | Windsor,     | 205,132.30       |
|    | Chambly,     | 48,000.00        |
|    | Kingston,    | 211,349.01       |
| 15 | Brantford,   | 182,686.00       |
|    | Winsey Mill, | <u>40,968.00</u> |

making a total of \$4,615,605.51

The usual dividend of 2 per cent. for quarter ending 28th February was declared payable on 1st March.

MR. McRUER: Then Page 93:

THE SECRETARY: "Annual meeting, 12th April, 1894:

Your directors have much pleasure in again meeting the shareholders at this annual meeting of the company when it is their privilege to place before you facts and figures in connection with the business of the corporation for the past year.

The following table shows the results of the company's operations for the year ended December 31, 1910, as compared with the results of the corresponding year of the preceding year.

|             |              |
|-------------|--------------|
| Income      | 1,125,347.73 |
| Expenses    | 1,125,347.73 |
| Profit      | 1,125,347.73 |
| Dividend    | 1,125,347.73 |
| Reserve     | 1,125,347.73 |
| Capital     | 1,125,347.73 |
| Assets      | 1,125,347.73 |
| Liabilities | 1,125,347.73 |
| Equity      | 1,125,347.73 |
| Net Worth   | 1,125,347.73 |

The total dividend of 1 cent per share for the year ended December 31, 1910, was paid on the 15th day of January, 1911.

The following table shows the results of the company's operations for the year ended December 31, 1911, as compared with the results of the corresponding year of the preceding year.

|             |              |
|-------------|--------------|
| Income      | 1,125,347.73 |
| Expenses    | 1,125,347.73 |
| Profit      | 1,125,347.73 |
| Dividend    | 1,125,347.73 |
| Reserve     | 1,125,347.73 |
| Capital     | 1,125,347.73 |
| Assets      | 1,125,347.73 |
| Liabilities | 1,125,347.73 |
| Equity      | 1,125,347.73 |
| Net Worth   | 1,125,347.73 |

The following table shows the results of the company's operations for the year ended December 31, 1912, as compared with the results of the corresponding year of the preceding year.



Your directors are pleased to be able to state that the first half of the year turned out very satisfactorily, but owing principally, we believe, to the uncertain feeling with regard to the tariff and also to the general dullness of trade throughout the whole Dominion the result of the last half year's operations has been somewhat disappointing. At the same time your directors have reason to be gratified that things are no worse.

For some months past it has been necessary to curtail the production as a market could not be found for all the goods the machinery could produce.

The new tariff which is now before Parliament and which is likely to go into effect is on the whole disappointing, being fully 5 per cent. less on many of the goods produced by this Company than the committee of management representing the company tried to secure.

Your directors however, are determined to make the best of it and although the profits will be considerably lessened they feel confident that a fair dividend can still be made.

The net manufacturing profits of the year were \$355,684 out of which \$242,688 were paid in dividends.

The sales for the year amount to \$2,876,349.55





as against \$3,151,309.15 last year, a decrease of \$274,960.60. The usual statements of trade account, profit and loss account, and the assets and liabilities of the company will now be read to you."

MR. McRUER: Then page 114; Annual meeting, 10th April, 1895.

THE SECRETARY: "Notwithstanding the bad state of trade that has prevailed throughout the United States and England, and the terrific competition that has been going on more or less throughout the year, your directors think that the result of the year's work should be considered satisfactory.

Up to within the last few weeks the reductions of price lists in the States have been an almost daily occurrence, and in order to prevent goods coming into our market at the low prices at which they were offered, we have had to make frequent reductions and concessions in our prices to meet the competition, and in addition to this we have had some closing down to do, which always means a certain amount of loss.

There are, however, indications that prices have touched bottom, and some marked advances have taken place in the United States, where a general improvement in business seems to have commenced.

We hope, therefore, soon to be able to take advantage of the improved state of trade, and

unavailable,

1935

as against \$7,181,309.15 last year, a decrease

of \$24,988.00. The usual statements of assets

and liabilities of the company will not be ready

to you.

Mr. Brydie: When you are ready, please let me know.

Very truly yours,

Wm. B. Brydie, Jr.

of course that has provided throughout the history

of the company, and the terrific competition

that has been going on more or less throughout

the year, your directors think that the results

of the year's work should be considered entirely

up to within the last few weeks the results

of price lists in the States have been an almost

early occurrence, and in order to prevent goods

coming into our market at the low prices at which

they were offered, we have had to make the price

reductions and concessions in our prices to meet

the competition, and in addition to this we have

had some closing down to be, which always means

a certain amount of loss.

There is, however, indication that things

have turned better, and now we are looking for

some signs in the future, where a general

improvement in business seems to have commenced.

Very truly yours,



5730

Eversfield,

get an advance wherever procurable.

The price of the raw material has gone up within the last few weeks 15 to 20 per cent., which of itself must give an improved tone to prices.

It was with much regret that your directors thought it wise, and in the general interests of the company, to reduce the December dividend from 2 per cent. to  $1\frac{1}{2}$  per cent., and although this reduction has had a much more serious effect on the price of the stock than anticipated, yet, it is still the opinion of your directors, that under the circumstances the course they adopted was the wisest and best suited to the interests of the company in reducing the dividend at least for a time, until an improvement in general business may warrant a return to the old rate."

THE COMMISSIONER: Was this a quarterly dividend,

Mr. M Ruer?

MR. McRUER: Yes, my lord.

THE SECRETARY: "The net manufacturing profits for the year, after paying current interest, repairs, and all other expenses, amounts to \$326,777.74, out of this 3 dividends of 2 per cent., and one of  $1\frac{1}{2}$  per cent. (in all  $7\frac{1}{2}$  per cent.) on the capital stock, have been paid, amounting to \$227,520.

The bond interest amounting to \$66,408.06 and the sum of \$14,286.19 for bad debts, leaving the sum of \$18,553.49 to be added to the credit of profit





5731

Eversfield,

and loss account which leaves standing at the credit of this account, a surplus of \$448,351.19 and a contingent account of \$540,468.91.

5 The sales for the year amount to \$2,818,743.44 against \$2,878,349.55, a decrease of \$59,606.31. Our production in yards and weight has been more this year than in previous years, but low prices have reduced the value of the output."

10 Mr. McBUER: Page 159.

THE SECRETARY: "Annual meeting 8th April, 1896: "Notwithstanding that the general business of the Company has been somewhat stagnant and that both 15 in England and the United States there has been a considerable over-production which has as a consequence caused very close competition making it necessary to reduce prices on several occasions, yet the result of the year's work must be 20 considered highly satisfactory.

The net manufacturing profits for the year after paying current interest, repairs, bad debts and all other expenses amount to the sum of 25 \$4443 \$442,916.29 as against \$326,777.77, same period last year. Out of this four dividends of 1½ per cent. each have been paid amounting to \$182,016, the bond interest amounting to \$69,580.06 and the large sum of \$38,047.78 for bad debts, 30 and the further sum of \$7,000 has been placed to a contingent account, for employer's liability,





and other sundry allowances, leaving the sum of \$146,272.43 to be placed to the credit of Profit and Loss account, as against \$18,563.84 last year.

It will be noticed that there is now at the credit of Profit and Loss account \$594,623.64 and of contingent account \$504,397.59, these two accounts making a rest of \$1,099,021.23 or a surplus of assets on capital of 36 per cent. "

THE COMMISSIONER: What is the other account?

MR. McRUER: Contingent account, my lord, and Profit and Loss account, a surplus of assets on capital of 36 per cent.

THE SECRETARY: "As you are all aware our bonds amounting to \$1,500,000 became due on 1st January last. With a view of getting a lower rate of interest Mr. Morrice undertook to go over to London, and after many and sundry difficulties managed to float a new loan for 20 years bearing interest at  $4\frac{1}{2}$  per cent. per annum.

The sales for the year amount to \$3,059,892.88 as against \$2,818,743.44, the year previous, an increase of \$241,150.44."

MR. McRUER: The page 186:

THE SECRETARY: "Annual meeting, 9th April, 1897:

It is with considerable regret that we have to acknowledge that the year's business has been somewhat disappointing, owing to stagnation in

Twentieth

1932

and other security allowances, having the sum

of \$10,000.00 to be placed to the credit of

the same account, as against \$10,000.00

last year.

It will be noted that there is now

at the credit of the fund and loan account \$10,000.00

and of contingent account \$10,000.00, these two

accounts making a total of \$20,000.00 or a

balance of \$20,000.00 on a basis of \$1 per share.

The following table shows the other account

Mr. McLeod's Contingent account, by fund, and

Profit and Loss account, a surplus of assets on capital

and the fund.

The following table shows the fund and the

amounting to \$1,000.00, the balance due on last year's

loan. With a view of obtaining a lower rate of

interest Mr. McLeod undertook to go over to

London, and after many and weary efforts

succeeded in obtaining a new loan for 80 years back

for the sum of \$1,000.00, the same.

The table for the year ending 1932, 1931, 1930,

and 1929, shows the year ending 1932, 1931, 1930,

and 1929, of \$1,000.00.

Mr. McLeod: The page 133.

The following table shows the fund and the

it is with considerable interest and is due to

acknowledges that the fund business has been

that of a business, owing to the fact that

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business all over the Dominion caused to a great extent by the uncertainty in regard to the tariff, and from very severe and close competition in England, and more particularly with the United States. It has been found difficult to place our goods as freely as heretofore in the hands of the trade, which has necessitated in our looking abroad for markets which have not proved as remunerative as our own. We are expecting a revival of business as soon as the Tariff is settled, and should the duties be maintained, as we are led to expect they will be, we are confident that in a very short time our stock will soon be disposed of and prosperity will once more set in upon us.

The net manufacturing profits for the year after paying current interest, repairs, and all other charges amount to \$256,756.91. Out of this the usual dividends amounting to \$132,018. also the bond interest amounting to \$60,967.63 have been paid and \$9,350.77 written off for bad debts leaving a balance of \$4,422.31 to be carried to profit and loss account.

After very careful consideration your directors decided to write off the whole of the loss and expenses incurred in floating the \$1,500,000 loan in London, feeling that it was better to face this at once than to carry it over a period of ten years as at one time intended. We feel confident

business all over the Dominion seemed to be  
 extent by the necessity in some of the  
 and from very severe and close competition in  
 a good, and more particularly with the  
 states. It has been found difficult to place  
 our goods as freely as heretofore in the hands  
 of the trade, which has necessitated in our  
 goods for markets which have not proved as  
 remunerative as our own. To the extent of  
 revival of business as soon as the tariff is  
 and should the duties be maintained, as we are  
 led to expect they will be, we are confident  
 in a very short time our stock will soon be  
 of and prosperity will once more set in upon us.  
 The net manufacturing profits for the year  
 after paying current interest, repairs, and all  
 other charges amount to \$200,000.00. One of the  
 the total dividends amounting to \$100,000.00, also  
 the bond interest amounting to \$50,000.00 have  
 been paid and \$200,000.00 written off for bad debts  
 leaving a balance of \$4,000.00 to be carried to  
 the next year.  
 The net profit for the year  
 amounting to \$100,000.00, has been  
 lost and expenses incurred in floating the \$1,000,000  
 loan in 1900, and it was better to lose  
 this at once than to carry it over a period of ten  
 years as at one time intended.

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the this course will meet with the approval  
of the shareholders.

It will be observed that there now remains  
to the credit of contingent account \$404,561.55  
and to credit of profits and loss the sum of  
\$599,046.15 which represents the amount of quick  
assets over liabilities, while a former sum of  
\$404,561.55 represents the surplus in value  
of machinery over the original cost.

These two accounts make the sum of \$1,003,607.70  
being a rest over and above capital stock of a  
little over 33 per cent. The sales for the year  
amount to \$2,890,078.67 as against \$3,059,892.88  
a decrease of \$369,814.21. The company has now  
in operation 4,384 looms, 200,000 spindles,  
employs 2,950 hands, and has paid in wages  
the large sum of \$787,455.85.

During the year we have added a considerable  
addition or extension at the west end of the  
Nochelago mill. The building will be occupied  
exclusively for the manufacture of yarns, which  
are required in the manufacture of woollen and  
other goods, for which we think there will be  
found a ready sale at remunerative prices.

We have also very materially improved the  
Magog property in making an addition to the  
bleachery and increased room for storage, and  
in putting in an air compressor which is expected





to materially reduce the consumption of coal.

Some improvements have also been made at Halifax.

All together the property is in excellent condition."

MR. McRUER: Page 213.

THE SECRETARY: Annual meeting, 4th April, 1898:

"The year through which we have just passed has turned out rather an eventful one in the history of the company. For some time past your directors were under the impression that this company was not doing as well as they ought to do, and when the balance sheet for the first half of the year came out they were greatly disappointed with the results, and it became evident that some change would have to be made. It is always unpleasant to be compelled to make radical changes, but after very serious and matured deliberations the majority of your Board considered it necessary and in the interest of the Company to undertake the selling of its own goods; as soon as the information was communicated to the selling agents, they at once sent in their resignation, which the Board accepted with very much regret.

Soon after this, Mr. Jackson, the General Manager, sent in his resignation, which was also accepted with regret. Your Board after considerable personal pressure on the





5 president, induced Mr. C.R. Whitehead to  
accept the responsible position of General  
Manager, who, with Mr. Leslie G. Craig,  
as joint-manager, have since the 20th of  
September last been in full charge of the  
Company's affairs. Since their assumption  
of the management, your directors feel very  
confident that the stability and strength of  
the Company will be well maintained.

10 Your directors now feel that all cause  
for anxiety as to the success of the Company  
has disappeared, as they are convinced that  
everything that hard work, energy and ability  
15 can accomplish will be done. The new  
management as is usual in such cases, cut  
the assets down very considerably, making a  
reduction for depreciation amounting to the  
large sum of \$156,199.83. This, however,  
20 will make it all the better for this and  
future years' operations.

25 The net manufacturing profits for the year  
after paying current interest and all other  
charges and writing off for repairs the large  
sum of \$71,238.61 shows the sum of \$344,783.22,  
from this has to be deducted interest on bonds  
\$62,346.21, bad debts, \$14,720.39, leaving as  
30 profit for the year \$267,736. The profit and  
loss account now stands at \$528,611.86 and





the contingent account at \$389,288.98; in all \$917,900.85 which, considering the large writing off already referred to, should, in the opinion of your directors, be considered as satisfactory.

The sales for the year amount to \$3,080,861.49 an increase of \$373,908.23. The Company has now in operation 4,460 looms, 202,000 spindles, and employ over 3,000 hands, and paid in wages last year \$830,762.78."

MR. McRUER: Then page 227:

THE COMMISSIONER: Was the usual dividend paid that year?

MR. McRUER: It is not mentioned.

THE COMMISSIONER: I did not hear you mention it.

MR. McRUER: No, my lord. Then page 227:

Special Board meeting, 10th June, 1896. This meeting was called for the purpose of considering a by-law passed by the Crown Council of the Town of Magog on the 9th of June instant:

A copy of the proposed by-law passed by the Town Council was submitted. Said by-law proposes to grant to the Company's works at Magog, exemption from taxes for 25 years and rescinds a by-law passed in February 1882 now existing, exempting the company works from taxes which by by-law has still some nine years to run, the present proposed by-law being

The defendant accounts at 1505, 1506, 1507, 1511

4. 57. 567, 0384 any fact



passed conditional upon its acceptance by the Company.

Be it therefore resolved that, the Company do hereby approve and accept the proposed by-law and consent and agree to the rescission and annulling of the said by-law passed as aforesaid, on the 27th day of February, 1882, conditional to the said proposed by-law becoming law, and in the event of the said proposed by-law being defeated or for any reason not becoming law, then the said by-law of the 27th February, 1882 to remain in full force and effect."

MR. McRUER: Then page 250:

Annual meeting, 13th April, 1899:

"Your directors are much pleased to meet the shareholders of this company on the occasion of another annual meeting. We have now had a full year of the new management and your board have much pleasure in stating that the result of the year is very satisfactory.

The net profits for the year after paying current interest and all other charges, and writing off the large sum of \$83,048.12 for repairs, amount to \$435,888.95, from this has to be deducted interest on bonds \$65,175.74, four quarterly dividends paid during the year amounting to \$182,016, and ~~xx~~ after providing for all bad and doubtful debts there is left

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Eversfield,

the sum of \$146,386.16 to write up to Profit and Loss account. This will leave the Profit and Loss account stand at \$674,998.03 and the contingent account at \$378,133.66 making a total of \$1,053,131.69 which in the opinion of your directors ought to be considered highly satisfactory.

During the year very great additions and improvements have been made both in machinery and construction of the mills, and it is expected by the end of the present year that nearly all the mills will be so improved that there will be considerable financial gains arising from the new system that will by that time be inaugurated."

Page 252:

"The sales for the year amount to \$2,942,179.23 production in pounds 15,775,521, against 14,391,107 last year, producing goods in value to the extent of \$3,367,977.22 against \$3,238,889.15, an increase of \$129,088.07 in value, over previous year. Raw cotton consumed 33,062 bales an increase of 2779 bales over the previous year. The company has now in operation 4,248 looms, 192,166 spindles, and employs about 3,700 hands, and paid in wages last year \$917,962.51."

1928

The sum of \$146,386.10 to write up to profit

and loss account.

Profit and loss account stand at \$874,986.08

and the balance sheet at \$1,121,121.10

making a total of \$1,038,101.80 which is the

opinion of your directors ought to be considered

and approved.

During the year very great activities

and improvements have been made both in

machinery and construction of the mill, and

it is expected by the end of the present year

that nearly all the mill will be so improved

that there will be considerable financial

gain arising from the new system that will

by that time be inaugurated."

The value for the year amount to \$1,121,121.10

production is shown as \$1,121,121.10, which

is \$1,121,121.10 last year, production being

the same as the amount of \$1,121,121.10

of \$1,121,121.10, an increase of \$1,121,121.10

in value, over previous year.

consumed \$1,121,121.10 being an increase of \$1,121,121.10

over the previous year. The cost of the new

in a matter of \$1,121,121.10, the balance sheet

is about \$1,121,121.10, and paid in

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Page 283; Board meeting 27th December, 1899;

"The Chairman then stated to the meeting of Directors that the Company had incurred very heavy expenditure in increasing and remodelling the mills and as a result of the same the earning power of the mills was largely increased, but that this had been brought about at an expenditure of about one million dollars, which money had been borrowed from banks. The Chairman then stated further that it would be in the interest of the Company to make the loan permanent by means of the issue of first preference stock and after full discussion of the subject it was resolved:

That the necessary parliamentary proceedings be taken in order to obtain an amendment to the Company's charter by the Parliament of the Dominion of Canada to permit the company to issue preference stock to the amount of one million dollars, said stock to bear interest at the rate of five per cent. per annum cumulative and be repayable in principal at such time as this company may afterwards decide."

Page 269, or rather 296, annual meeting of shareholders of the company, 11th April, 1900:

"Your directors have much pleasure in again meeting the shareholders of the Company on this the 28th Annual Meeting since the

"The Chairman then stated to the meeting of directors that the company had incurred very heavy expenditure in increasing and remodeling the mills and as a result of this work the earning power of the mills was largely increased, but that this had been brought about at an expenditure of about one million dollars, which money had been borrowed from banks. The Chairman then

stated further that it would be in the interest of the company to make the loan permanent by means of the issue of first preference stock and after full discussion of the subject it

was taken in order to obtain an amendment to the company's charter by the resolution of the directors of Canada to permit the company to issue preference stock to the amount of one million dollars, said stock to bear interest at the rate of five per cent, per annum cumulatively and be repayable in principal at such time as

Page 882, at meeting 882, annual meeting of shareholders of the company, 11th April, 1901. The directors then proposed to again meeting the shareholders of the company



5 formation of the original company. Owing to  
the great number of changes and remodelling  
of nearly all the mills during the past year,  
the profits are not as large as we would like  
but at the same time considering the vast amount  
of work that has been done and the heavy loss  
entailed through stoppage of machinery during  
re-construction, there is cause for congratulation  
10 that the result of the year's work has turned  
out as well as it has done.

In a very few months it is expected x that  
all the machinery will be put in position, and  
as soon as everything is running in full, we  
15 look forward to very much larger earning capacity.

The net profits for the year, after paying  
current interest and all other charges, and  
writing off the large sum of \$80,423.59 for  
repairs, amount to \$315,216. From this has to  
20 be deducted interest on bonds \$66,135.33,  
four quarterly dividends amounting to \$182,016  
and after providing for all bad and doubtful  
debts there is left the sum of \$66,174.66 to  
25 write to credit of profit and loss account.

This will leave the Profit and Loss account  
stand at \$741,172.69.

30 We have written off the whole of the  
contingent account amounting to \$365,468.  
thus reducing the amount of total expenditure  
by this sum, leaving the amount spent during

1911

1911

formation of the original company. Owing to the great number of changes and remodeling of nearly all the mills during the past year, the profits are not as large as we would like but at the same time considering the vast amount of work that has been done and the heavy loss entailed through stoppage of machinery during reconstruction, there is cause for congratulation that the result of the year's work has turned out as well as it has done.

In a very few months it is expected a time will come when all the machinery will be in position, as soon as everything is running in 1911, we look forward to very much larger earnings especially the net profits for the year, after paying current interest and all other charges, and writing off the large sum of \$25,425.50 for repairs, amount to \$15,215. From this it is to be deducted interest on bonds \$15,125.50, four quarterly dividends amounting to \$15,215 and after providing for all fixed and floating debts there is left the sum of \$55,174.50 to write to credit of profit and loss account.

This will leave the profit and loss account

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to have written off the whole of the "consolidated account" amounting to \$255,400, thus reducing the amount of total expenditure

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the last two years for construction and machinery \$1,078,052.

The sales for the year amount to \$3,357,661.65 against \$2,942,179.23, an increase of \$415,482.42 in value over previous year.

The Company has now in operation 5,139 looms, 208,140 spindles, and employs about 3800 hands. The wages paid last year amount to \$918,228.19.

Owing to the large outlay for Building and machinery it has been decided after very mature deliberation on the part of your Directors to ask Parliament for an act to create one million dollars of Preferred Stock to carry interest at the rate of five per cent. per annum. It is expected that there will be no difficulty in disposing of this stock at par. The money obtained for this stock will go to reduce our bank account, which owing to the large outlay for improvements already referred to. Also for the large supply of raw cotton required together with stock of manufactured goods and goods in process makes the amount larger than your directors care to borrow from the Bank.

You will therefore be asked to sanction a resolution placing this one million dollars preferred stock in the hands of the directors, with power to dispose thereof at not less than par,

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А.А. Колосов

the last two years for construction and

41, 378, 000

The sales for the year amount to \$5,307,861

\* they involved two other men

The Company has now in operation 3,139

91-553-6107



and apply the proceeds toward reduction of bank accounts already intimated."

Page 309, Board Meeting, June 26th, 1900:

5 "The Company has during the past year  
greatly enlarged and improved its plants at Magog  
P.que, Hochelaga, and Ste Annes, (Montreal)  
and Kingston, on, also at other points. In  
10 carrying out this work it has been compelled to  
make a temporary loan. In order to liquidate  
this loan the Directors after due consideration  
decided that it would be in the best interests  
of the company to issue one million dollars  
15 Preference stock, and accordingly for this purpose  
placed before the shareholders at the annual  
meeting of the company at Montreal, on April 11th  
1900, a by-law which was unanimously ratified,  
with the understanding that the stock should  
20 first be offered them pro rate to their present  
holdings of common stock.

Legislation has been secured in conformity  
with the by-law authorizing this issue.

25 This preference stock bears a fixed dividend  
of five per cent. payable semi-annually and is  
redeemable at par in 20 years, and may be redeemed  
at the option of the Company after five years  
by paying 5 per cent. premium.

30 This must prove a good investment as the  
dividends are payable before any can be paid on

and a full and complete record of the

proceedings already instituted."

Page 300, Board Meeting, June 18th, 1900:

"The Company is during the year

greatly enlarged and improved its plant at

and also at other places. In

and also at other places. In

carrying out this work it has been obliged to

make a temporary loan. In order to

their loan the directors have the consideration

decided that it would be in the best interests

of the company to issue one million

preference stock, and accordingly the directors

passed before the shareholders at the annual

meeting of the company of 1900, on April 11th

1900, a resolution which was unanimously adopted,

with the understanding that the stock should

first be offered to the holders of their present

holding of common stock.

Legislation has been passed in conformity

with the by-laws authorizing this issue.

This preference stock bears a dividend of

of 10% per annum, payable annually on the

redemption of the stock in 10 years, and may be redeemed

at any time at the option of the company.

It is also provided that the stock

shall not be subject to any

restriction as to its use.

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the common stock, and this stock ranks ahead  
of the ordinary stock you now hold."

This is a letter that was drafted to be sent to the  
shareholders in reference to the preference stock issue.

In accordance with an understanding arrived  
at last annual meeting it was resolved that  
the present shareholders are entitled to one  
share for three of their present holding  
of common stock.

It has been decided to make calls on this  
preference stock as follows:

Twenty-five per cent. (25%) on 1st August 1900

" " (25%) " " Sept. 1900

" " (25%) " " Oct. 1900

" " (25%) " " November "

Kindly notify the Secretary on the enclosed  
form how many shares you wish to take up of the  
above.

Interest allowed on all three payments at  
rate of 5 per cent. per annum."

THE COMMISSIONER: Is this 1901?

MR. McRUER: Annual Meeting, yes, my lord.

THE COMMISSIONER: Now, who are the president and  
directors at this time?

MR. McRUER: We will get that from the previous  
annual meeting, my lord:-

A.F. Gault, J.A.C. Grenier, Samuel

Finley, S.H. Ewing, C.E. Gault, Hon. H.J.

Forget, C.R. Whitehead,

the common stock, and this stock ranks ahead

of the ordinary stock you now hold."

This is a letter that was directed to be sent to the

shareholders in reference to the preference stock is

The following is an extract from the

at last annual meeting it was resolved that

the present shareholders are entitled to one

share for three of their present holding

of common stock.

It has been decided to take action on this

preference stock as follows:

Twenty-five per cent. (25%) on 1st August

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Now, 1901, page 347:

5 "Your directors are pleased to report that  
the work of reorganizing the construction and  
machinery commenced over two years ago is now  
about completed, and they have reason to believe  
that the improvements that have been made will  
materially increase the future earnings of the  
Company. Notwithstanding the delays that have  
10 frequently occurred during the past year from  
stoppages caused by changing machinery and from  
occasional want of power at Hochelaga and  
elsewhere, the gross profits of the Company are  
more than they have been in any previous year. Had  
15 The price of cotton been as low as in the past year,  
the profits would have been considerably increased.

The gross profits for the year amount to  
\$652,335.09 after paying current interest and  
20 all other charges, writing off the large sum of  
\$80,339.69 for the shares, paying bond interest  
\$68,346.79, four quarterly dividends amounting to  
\$186,011 and \$9,869.84 for bad debts, there is  
left the sum of \$52,875.68 to add to profit and  
25 loss, leaving a credit of this account \$794,048.37  
against \$741,172.69 last year.

During the year 1900, in conformity with  
the terms of bond issue, 7,000 pounds or  
30 \$35,000 has been paid off the mortgage debt.

Your Directors regret that the preferred

1915

Nov. 1901, page 347:

"Your directors are pleased to report the  
the work of reorganizing the corporation and  
machinery commenced over two years ago is now  
about completed, and they have reason to believe  
that the improvements that have been made will  
materially increase the future earnings of the  
Company. Notwithstanding the delays that have  
frequently occurred during the past year from  
revisions caused by changing machinery and from  
occasional loss of power at the mill and  
elsewhere, the gross profits of the Company are  
more than they have been in any previous year.  
The price of cotton has been as low as in the past  
the profits would have been considerably increased.  
The gross profits for the year amount to  
\$188,011 and \$88,884 for the same period last  
year. After paying current interest and  
all other charges, setting off the large sum of  
\$10,345.88 for the shares, paying bond interest  
\$1,100.00, and other charges, there is  
left the sum of \$103,876.88 to be added to profits and  
loss, leaving a credit of this account \$174,048.  
against \$241,178.88 last year.  
During the year 1901, in conformity with  
the terms of bond issue, \$1,000 bonds of  
\$1,000 have been paid off the mortgage debt.  
Your directors are glad that the present

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stock of \$1,000,000 to which the shareholders gave their consent at their last annual meeting has not been largely taken up. Only \$163,800 was subscribed for; about one-fourth of this amount was taken up by the Directors. The public did not seem to question the security but thought that five per cent. was too low a rate of interest on an industrial stock. It may be that we shall have to offer it for a less price than par in order to realise thereon.

The sales for the last year amount to \$3,557,095.15 against \$3,441,101.99 the previous year, being an increase of \$115,993.16 on last year.

The Company has now in operation 5,140 looms, 208,976 spindles, and employs upwards of 4,000 hands.

During last session of the Provincial Legislature an act was passed confirming the exemption from municipal taxation on all our mill property at Magog for 25 years. We have also succeeded in getting exemption at Kingston for 20 years. This with exemption at Moncton, Windsor and Halifax ought to be considered a very valuable arrangement in favour of the company."

Page 350:

"Mr. Binmore moved that printed copies of the annual statement be sent to shareholders to

book of \$1,000,000 to which the shareholders  
gave their consent at their last annual meeting  
and the same was paid into the bank of the  
company and was subscribed for; about one-fourth of this  
amount was taken up by the directors. The balance  
did not seem to provide the security but was  
that five per cent. was to be a reserve of interest  
on an industrial stock. It may be that we are  
have to offer it for a less price than for in  
order to realize the same.  
The sales for the last year amount to  
\$1,555,000.15 against \$1,441,101.22 the previous  
year, being an increase of \$113,898.93 or four  
per cent.  
The Company has now in operation 3,140  
looms, 230,976 spindles, and employs approximately  
4,000 hands.  
During last session of the Provincial  
Legislature an act was passed conferring the  
exemption from municipal taxation on all our  
mills property at least for 25 years. We have  
also succeeded in securing exemption of our  
mills from taxation for 25 years. This with exemption of our  
mills and other mills ought to be considered a  
very valuable arrangement in favor of the company.  
"Mr. Brydies report was printed copies of  
the same were sent to the shareholders."

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enable them to see condition of the company's affairs. He stated it was impossible to gather this information from the reading of the annual statement. Mr. Jas. Wilson, Jr. stated to the meeting that no other manufacturing company sent printed copies of their annual statements to shareholders and that it would not be in the interests of the company to do so. Mr. Binmore therefore withdrew his motion and submitted the following one: Moved that the annual statement shall be exhibited to shareholders at the office of the company ten days before the annual meeting and the present annual statement shall be exhibited to any of the shareholders present who desire to see the same. This motion was seconded by Mr. M. Burke, and carried."

Now, page 370, Board meeting October 31st, 1901:

"That in view of the large expenditures incurred in putting the various properties of the company into first-class condition and also with the object of reducing the floating liabilities of the company not to pay the quarterly dividends heretofore paid on the 1st December, it was decided to send copies of this resolution to be inserted in financial columns of the Gazette and Le Journal and that circular copies to be sent to each shareholder. The President stated that the sub-committee appointed by the Board

enable them to see condition of the company's affairs. He stated it was impossible to gather this information from the reading of the annual statement. Mr. J. A. Wilson, Jr. asked to see meeting that no other manufacturing company sent printed copies of their annual statements to shareholders and that it would not be in the interests of the company to do so. Mr. Wilson therefore withdrew his motion and submitted the following one: Moved that the annual statement shall be exhibited to shareholders at the closing of the company and before the annual meeting and the present annual statement shall be exhibited to any of the shareholders present who desire to see the same. This motion was seconded by Mr. Wilson and passed.

That in view of the large expenditures incurred in putting the various properties of the company into first-class condition and also the object of reducing the floating liabilities of the company not to pay the quarterly dividends until the end of the year, it was decided to send copies of this statement to be inserted in the annual columns of the Ontario and the Journal and some of which copies to be sent to each shareholder. The President stated that the annual statement is to be sent to each shareholder.

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to look into the affairs of the company had held a meeting and came to the conclusion that the large loss shown for the first six months of the year has been caused by the purchase of raw cotton at very high figures, and not having sold their manufactured goods at a proportionate advance."

Then page 384. This is a Board meeting, 29th January, 1902:

The President stated to the Board that he had received a proposal for the acquisition of the Merchants Cotton Co., by the Dominion Cotton Mills Co. The plan proposed was for us to issue \$3,200,000 7 per cent. preference cumulative stock, \$1,700,000 to be offered to our shareholders pro rata at par. If not subscribed for to be sold to the public, and the balance \$1,500,000 to be held in treasury to be exchanged for the stock of the Merchants Cotton Co. at par.

This plan was not looked upon with favour as it was thought it would be difficult to dispose of the \$1,700,000 stocks. Another scheme which was thought more feasible was explained to the Board, in which it was proposed to issue, \$3,000,000 6 per cent. bonds, and \$1,500,000 7% preference cumulative stock to be applied as follows: \$1,500,000 of the bonds to be sold and proceeds applied in reduction of bank loans;

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5 \$1,500,000 to be held in escrow against out-  
standing bonds, and the \$1,500,000 7% preference  
cumulative stock to be exchanged for Merchants  
Cotton Co. stock at par. This plan was fully  
discussed by the Board and matter left over for  
the present.

10 The President stated that a meeting had  
been arranged for the next day between the  
Merchants Cotton Co. and ourselves with the  
object of trying to come to some agreement regard-  
ing prices."

Then we go to page 391, Board Meeting, 24th March, 1902:

15 "Whereas the Company required further moneys  
for the purpose of developing its business,  
renewing its plant and machinery, and in order  
to liquidate its indebtedness for loans and  
advances made to the company for the said purpose,  
20 and the directors find that there are not  
sufficient funds to meet the requirements of the  
company, and

25 "Whereas the borrowing power of the company  
for which it may issue bonds or debentures is  
limited by its charter to a sum not exceeding  
an amount of seventy-five per cent. of the  
paid-up capital of the company, and

30 "Whereas the Company has by virtue of by-law  
No. 4, the authority of its shareholders to  
borrow from time to time sums of money up to the

Liverpool,

1914

...the ...  
...and the ...  
...be exchanged for ...  
...  
...discussed by the Board and matter left over for  
...  
...the President stated that a meeting had  
...been arranged for the next day between the  
...and ourselves with the  
...subject of trying to come to some agreement re-  
...ing prices."  
Then we go to page 221, Board Meeting, 14th March, 1914  
...for the purpose of developing the business,  
...reaching its limit and eventually, and in order  
...to discuss it immediately for loans and  
...advances made to the company for the said purpose  
...and the directors find that there are not  
...sufficient funds to meet the requirements of the  
...  
...the ...  
...is ...  
...limited by its charter to a sum not exceeding  
...an amount of seventy-five per cent. of the  
...  
...whereas the company has by virtue of by-laws  
...  
...from time to time sums of money ...

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limit of their authority so conferred upon the company by its charter, and has issued bonds to secure the amounts so borrowed, which bonds now form a first lien and hypothec upon the property of the company, and

Whereas the aggregate of the amount so borrowed on bonds issued to secure the same does not represent more than about twenty-three per cent. of the value of all the company's immovable property, plant, buildings and machinery and it is in the opinion of the directors expedient and in the best interests of the company to increase the company's borrowing powers to enable the company to meet its liabilities, keep its business engagements, and keep its equipment up to the present standard of other similar corporations.

It was moved by the president, seconded by Hon. L.J. Forget and resolved:

That the President and Secretary of the Company be and they are hereby authorized to apply to the Parliament of Canada, at its present session, for an act to amend the charter of the Company, so as to increase its borrowing power from seventy-five per cent. of the paid-up capital stock of the company as provided by its present charter to 75% of the value of the Company's immovables, building, plant and

...of their authority no conferred upon the  
company by its charter, and has issued bonds  
to secure the amounts so borrowed, which bonds  
now form a first lien and mortgage upon the  
assets of the company, and  
between the aggregate of the amount so  
borrowed on bonds issued to secure the same does  
not exceed the value of the company's assets  
consisting of the value of all the company's assets  
property, plant, buildings and machinery and  
it is in the opinion of the directors expedient  
and in the best interests of the company to  
increase the company's borrowing power to such  
an amount as may be required, and the  
directors are authorized to issue bonds  
up to the present amount of other similar  
authorities,  
it was moved by the President, seconded  
by Hon. J. L. Foster and resolved:  
That the President and Secretary of the  
Company be and they are hereby authorized to  
apply to the shareholders of the company, or for their  
resolution, for an act to amend the charter of the  
company, so as to increase its borrowing power  
from twenty-five per cent. of the paid-up  
capital stock of the company as provided by its  
present charter to 75% of the value of the  
company's assets, including, plant and

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machinery and to authorize the directors of the Company to pass a by-law to be approved by a vote of holders of at least two-thirds in value of the subscribed stock of the company, present or represented by proxy, at a special general meeting called for considering such by-law to borrow such sums of money from time to time not exceeding in amount a sum equal to seventy-five per cent. of the value of the immovable building, plant and machinery of the company as the shareholders deem necessary, and to issue bonds and debentures therefor in sums of not less than one hundred dollars each, at such rate of interest, payable at such time and place, and secured in such manner by way of transfer, mortgage and hypothec on the whole or any portion of the property and immovables and undertaking of the company as may be prescribed in such by-law, or decided by the directors under the authority thereof provided, however, that the borrowing power of the Company under the new Act so to be passed and the whole bond issue of the Company to secure the same shall not at any time exceed seventy-five per cent. of the value of all the Company's immovable property, plant, machinery, and buildings."

Then page 398, Annual meeting, 7th April, 1902:

"At the beginning of the year the prospects were

and to authorize the directors of the  
 company to pass a by-law to be approved by  
 a vote of holders of at least two-thirds in  
 value of the subscribed stock of the company,  
 present or represented by proxy, at a special  
 general meeting called for considering such by-law  
 to borrow such sums of money from time to time  
 not exceeding in amount a sum equal to twenty per  
 cent. of the value of the immovable property  
 owned and situated in the city of Toronto and  
 deemed necessary, and to issue bonds and debentures  
 transferable in sum or not less than one hundred  
 dollars each, at such rate of interest as may be  
 payable at such times and times, and secured in  
 such manner by way of transfer, mortgage and  
 hypothecation on the whole or any portion of the  
 property and immovables and undertaking of the  
 company as may be prescribed in such by-law,  
 or decided by the directors under the authority  
 of the company, and the whole of the company  
 to secure the same shall not at any time exceed  
 seventy-five per cent. of the value of all the  
 property and immovables owned and situated in the  
 city of Toronto and deemed necessary, and  
 buildings."

At the beginning of the year 1900, the company

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fairly good for a satisfactory business, but from various causes everything has gone against this expectation. First and foremost was the high price at which our cotton was purchased, which unfortunately and most unexpectedly soon after purchasing took a downward turn. This reduction acted on the price of goods and both the American and English markets became for awhile thoroughly demoralized."

"We had to meet the competition from both these markets and to make matters still worse a keen competition took place between mills making similar goods in this country until prices got down below the cost of manufacturing. Then we lost nearly \$20,000.00 by the breaking down of our engine at Halifax and loss through stoppage of machinery so that on the whole we have had a disastrous year.

Your directors believing that the management was in some sense to blame, resolved on asking for their resignation, which after some slight delay was tendered and accepted. The Board after due consideration resolved to disassociate the management of the mills and the selling of the goods, as this was found to be one of our weak spots in the last management. It was therefore resolved that the new manager should look after the manufacturing, and that the selling

EVER

Investigate

fairly good for a satisfactory business, but  
from various causes everything has gone wrong  
this expectation. First and foremost was the  
high price at which our cotton was purchased,  
which unfortunately and most unexpectedly  
was the cause of our loss.  
This reduction acted on the price of goods and  
the American and English markets became for  
awhile thoroughly demoralized.  
We had to meet the competition from both  
these markets and to give orders still  
more a keen competition took place between  
the two markets and the result was that  
until prices got down below the cost of  
production, the market was not able to  
by the breaking down of our engine at Halifax  
and from the stoppage of machinery at York  
so the whole we have had a disastrous year.  
Your directors believe that the company  
was in some degree to blame, possibly on account  
for their position, which after some delay  
and was rendered and so on. The board  
the management of the ship and the collision of  
the goods, as this was found to be one of our  
weak points in the last management. It was  
therefore resolved that the new manager should  
look after the management, and that the old

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be given to a firm in close touch with the buyer."

Then next is page 400:

"The loss on the manufacturing account has been \$98,763.28. Three dividends amounting to \$136,512. have been paid on the common stock and dividends on preferred \$8,520. These amounts with the interest on debentures \$6,757.86 and bad debts \$2,287.73 makes a total loss for the year of \$312,840.87.

The sales for the past year amount to \$3,243,771.57 being \$313,323.58 less than the previous year. This reduction is accounted for at the low price at which goods were sold during the past year.

The Company has now in operation 4942 looms, 207,987 spindles, and employs 3,727 hands."

Then page 440, special meeting of the Board of Directors, July 4, 1902:

"It is resolved

That in pursuance of the authority given to the directors of the Company by the Company's by-law No. 27 passed on the 19th day of May instant, and duly approved by the votes of holders of at least two-thirds in value of the subscribed stock of the company, present and represented by proxy, at a special general meeting regularly called and held for considering

2753

Interiors

be given to a firm in close touch with the

major.

Then next is the

and been \$20,743.28. Three dividends known

to \$156,312. have been paid on the common stock

and dividends on preferred \$8,580. These

amounts with the interest on debentures \$5,757

and had debts \$1,287.72 makes a total loss

for the year of \$112,843.87.

The sales for the last year would be

\$5,343,771.47 being \$312,314.25 less than the

previous year. This reduction is accounted

for as the low price at which goods were sold

during the year.

The company has now in operation four

looms, 207,887 spindles, and employs 2,707 men

Then page 443, special meeting of the board of

directors, July 4, 1921:

"It is resolved

That in pursuance of the authority given to

the directors of the company by the company's

by-law No. 17 passed on the 14th day of May

1920, and duly approved by the votes of

eighteen of the twenty directors, the following

resolutions were adopted, to-wit:

represented by proxy, at a special general

meeting of the company, called for the purpose



said by-law on the 30th day of May last.

2. The directors hereby resolve to borrow a sum of three million seven hundred thousand dollars, for monies required for developing its business, liquidating its indebtedness for loans and advances made to the company, and to make and issue the company's bonds and debentures to an amount of three million seven hundred thousand dollars, to be described as 'The Dominion Cotton Mills Stock Mortgage Gold bonds'.

4. Now then, Mr. Eversfield, you identify this book marked Minute Book No. 3, as being a Minute Book produced from the records of the Dominion Textile Company, purporting to be a Minute Book of the Dominion Cotton Mills, Limited? A. Yes, sir.

MR. MORRIS: Page 53, annual meeting April 27th, 1903:

"We have now had a full year under the new General manager, and your Board have much pleasure in stating that the result of the year has been very satisfactory, especially when we consider the keen competition which we have had to meet from the English market, owing to the preferential tariff in favour of Great Britain.

The net profits for the year after paying current interest, and other charges, and writing

THE DIRECTOR GENERAL OF THE

1. The Director General has received from the  
a sum of three million seven hundred thousand  
dollars, for which required for developing  
his business, liquidating his investments  
for loans and advances made to the company,  
and to make and issue the company's bonds and  
debentures to an amount of three million seven  
hundred thousand dollars, and to issue the  
same and the same with interest and

2. Now read, Mr. Kwartfeld, you identify this book  
marked Minute Book No. 3, as being a Minute Book  
produced from the records of the Dominion  
Cotton Mills, Limited?  
A. Yes, sir.  
The Dominion Cotton Mills, Limited?

27th, 1908:

Now General Manager, and your record here in  
please in stating that the result of the  
has been very satisfactory, and since then  
considered the best corporation which we have  
had to date from the English market, owing to  
the great capital raised in the case of that  
company.

Now would you say that the year 1908 was  
a year of interest, and other changes, and this



5755

off the large sum of \$73,426.37 for repairs  
and betterments amount to \$261,477.66,  
from this has been deducted interest on bonds  
\$65,171.11, dividend on preference stock  
\$4,260, and after providing for all bad and doubtful  
debts, there is left the sum of \$188,349.10  
to add to profit and loss account, having  
a credit of this account \$669,556.60 against  
\$481,207.50 last year. The sales for the  
year amount to \$3,300,169.46 being an increase  
of \$56,397.89 on last year.

The Company has now in operation 4962 looms,  
204,976 spindles, and employs about 3,500 hands,  
and paid in wages last year \$886,846.26.

Your directors are pleased to state that  
the new issue of bonds to which the shareholders  
gave their consent at the last annual meeting,  
have all been underwritten excepting bonds  
amounting to \$173,000, which have been exchanged  
for the preference stock of the Company.

Then page 70, Board meeting 17th September  
1903:

✓ "The Vice-president reported to the Board  
that a meeting of cotton mill representatives  
had been called by Mr. Clouston, with a view  
of bringing about a better relationship between  
the three companies who are now competing with  
one another.

ALL THE INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

and betterments amount to \$251,477.66.

From this has been deducted interest on bonds

\$25,171.11, dividend on preference stock

\$4,280, and after providing for all and sundry

debts, there is left the sum of \$188,309.10

to add to profit and loss account, having

a credit of this account \$25,330.15 against

\$25,330.15 last year. The sales for the

year amount to \$2,330,150.45 being an increase

of \$25,330.15 on last year.

The Company has now in operation 468 looms,

304,975 spindles, and employs about 5,500 hands,

and paid in wages last year \$250,846.16.

Your directors are pleased to state that

the new issue of bonds to which the shareholders

gave their consent at the last annual meeting,

have all been underwritten excepting bonds

amounting to \$125,000, which have been exchanged

for the preference stock of the Company.

Then at 7:30, Board meeting 17th Dec.

"The Vice-President reported to the Board

that a meeting of cotton mill representatives

had been called by Mr. Clouston, with a view

of bringing about a better relationship between

the three companies who are now competing with

each other.



At this meeting a sub-committee had been appointed composed of Mr. James Crathern and Senator Mackay representing the Merchants Cotton Company, Mr. H.S. Hope<sup>1447</sup>, representing the Colonial Bleaching and Printing Company, Senator Forget and Mr. S.H. Ewing representing the Dominion Cotton Mills Company, and Mr. David Morrice, Sr.

At the meeting of the sub-committee held ~~on~~ on September 14th, the matter talked about was that of having the mills, plant, machinery of the three companies valued by experts and that expert accountants be employed to examine books to determine the earning power and value of the properties etc. of the companies, with a view of forming a new company to take over the Merchants, the Colonial, and Dominion. At the same meeting it was decided that the three companies each hold a meeting of their respective boards during the week and appoint representatives with full authority to act for their companies at meetings to be held of the sub-committee.

It was decided by our Board that Senator Forget and Mr. S.H. Ewing be appointed to represent our company at said meetings of the sub-committee..

THE COMMISSIONER: Will you please give me again the names of the three companies?

At this meeting a sub-committee was

appointed composed of Mr. James Graham

and Senator Mackay representing the Government

the Colonial Blanding and the

Senator Forget and Mr. H.H. being representing

the Dominion Cotton Mills Company, and Mr.

At the meeting of the sub-committee

met on September 14th, the matter talked about

was that of having the mills, plant, machinery

of the three companies valued by experts and

books to determine the earning power and value

of the properties etc. of the companies, with

a view of forming a new company to take over

the properties, the Colonial, and Dominion.

At the same meeting it was decided that the

representatives with full authority to

act for their companies at meetings to be held

of the sub-committee.

It was decided by our board that Senator

Forget and Mr. H.H. being appointed to

represent our company at said meetings of the

sub-committee.



MR. McRUR: The Merchants Cotton Company,  
Colonial Bleaching and Printing Company, and Dominion  
Cotton Mills Company.

Now, page 82; board meeting November 10th, 1903:

"The Chairman reported to Board that several  
meetings of the sub-committee appointed in  
connection with the amalgamation of the three  
companies had been held with view of appointing  
valuators. At one of the meetings the names  
of Mr. Makepeace and Mr. Siner had been suggested  
but as the former gentleman had at times been  
employed by both the Merchants and Colonial  
Companies he was objected to by Mr. Forget.

At a subsequent meeting of the sub-committee  
the name of Mr. C. T. Main of the firm of Dean  
and Main was mentioned in place of Mr. Makepeace.  
Mr. Main had been highly recommended by Mr.  
Freeman, President of the Mutual Fire Insurance  
Company. The Chairman stated that the sub-  
committee had decided to accept Mr. Main and  
Mr. Siner for valuers, subject to the approval  
of the directors of the three companies.

On submitting matter before our directors  
the vice-president asked that these two gentlemen,  
Messrs Main and Siner were acceptable, to which  
the Board gave their unanimous approval.

The Chairman then read to the Board the  
draft memorandum of agreement between the three

Colonial Shipping and Trading Company, and Dominion

"The chairman reported to House that several

meetings of the sub-committee appeared in  
connection with the investigation of the three  
companies had been held with view of ascertaining  
volunteers. At one of the meetings the names  
of Mr. McKee and Mr. Miller had been mentioned  
but as Mr. McKee had not been present  
employed by both the companies and Colonial  
companies he was objected to by Mr. Forster.

At a subsequent meeting of the sub-committee  
the name of Mr. C. J. Smith of the firm of Messrs.  
and this was mentioned in place of Mr. McKee.  
Mr. Smith was then briefly mentioned by Mr.

member, President of the Council who is in charge  
of the Council. The Council was then informed  
that the Council had decided to accept Mr. Smith and  
Mr. Miller for volunteers, subject to the approval  
of the Council of the House of Commons.

At a following meeting of the sub-committee  
the sub-committee had taken in the House of Commons  
and have their names approved.

The Chairman then moved to the House and



companies to be amalgamated and the committee,  
also a draft memorandum as to payment of the  
purchase price by the new company which read as  
follows:

'Memorandum of Agreement made on this  
day of October, 1903, between the Dominion  
Cotton Mills, Co. Limited, the Merchants Cotton  
Company Limited, and the Colonial Printing and  
Bleaching Company Limited, hereafter called "The  
Companies" of the first part,

and

hereinafter called "The Committee"

of the second part,

Which said parties have agreed as follows:

1. The Committee shall forthwith cause to be  
organized under 'The Companies Act 1902'  
a company under the name of  
hereinafter called 'The New Company' for amongst  
other purposes that of purchasing and taking over  
as going concerns the properties, plants, and  
general assets, and liabilities of the companies  
respectively.

2. The properties, plants and general assets  
of the Companies respectively shall be purchased  
and taken over by the New Company, at a valuation,  
and paid for as hereinafter mentioned.

3. For the purpose of making such valuation,  
three competent valuers shall be appointed by the

...to the ...

also a ...

... by the new company which ...

...

...

... of October, 1908, between the ...

... Co. Limited, the ...

...

... Company Limited, ...

... of the first part,

...

... called "The ..."

... of the second part,

... which said parties have agreed as follows:

1. The ...

...

... a company under the name of

...

... other persons that of ...

... as being ...

... General ...

...

2. The properties, ...

... of the ...

... and taken over by the ...

... and paid for as ...

...

...



by the Companies jointly.

4. The valuation shall be made by the three valuers collectively, and in doing so, they shall treat the business and properties of each company as a going concern, giving due consideration to the general condition of its properties machinery and its productive power and working capacity as money earning concerns, and to the value of good-will etc.

5. The valuers shall be entitled to get information regarding the properties, from whatever source they may deem necessary whether from the records of the Companies themselves, or outside sources. The companies to freely grant them every opportunity for obtaining independent information required on any subject. They may also employ expert appraisers and accountants to better enable them to deal with every branch of the assets of each company. The choice of such appraisers and accountants to be approved by the companies.

6. Any dispute or disagreement as to the true meaning of this agreement shall be left to the final decision of Mr. who shall act in the matter as friendly mediator. He is hereby empowered by the Companies respectively, to appoint a board of persons to verify the reports of the valuers, and in case of any difference of opinion

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1900-1901

by the company.

4. The valuation shall be made by the three

valuators collectively, and in doing so, they

shall treat the business and properties of each

company as a going concern, giving due consideration

to the general condition of its properties

and the productive power and working

capacity of every existing concern, and to the

value of good-will etc.

5. The valuers shall be entitled to get

information regarding the business, from whatever

source they may deem necessary, either from the

records of the companies themselves, or outside

sources. The companies to furnish them

every opportunity for obtaining information

information needed on any subject. They may also

employ expert appraisers and accountants to

assist them in their work with every branch

of the assets of each company. The cost of such

assistance and accountants to be provided by the

6. Any dispute on the part of the three

valuators of this agreement shall be left to the

final decision of the court.

7. The three valuers shall be sworn to

by the court and shall be bound to

execute their duty faithfully and

without any bias or partiality.



between the Companies in regard to the valuation, or to the accounts, such Board to have full authority to change such valuation and rectify such accounts, and the Companies interested bind themselves to accept the decision of the Board as final.

7. Provision shall be made by the New Company for the raising of the necessary capital by the issue of Bonds, Preferred stock or Common stock, and the net assets of the companies respectively shall be paid for in cash.

Bonds, Preferred Stock, or Common Stock of the New Company, as may be deemed advisable by the latter company; the Preferred stock to carry such preference or control and rate of dividend as may be decided by the New Company.

8. The committee stipulate herein, both on behalf of its members individually, and on behalf of the New Company.

Memorandum as to Payment of the Purchase price by the Aforesaid New Company.

The New Company will assume the payment of the Bonds and liabilities of each company, thus reducing the purchase price to be paid for by the New Company to the amount of the Net assets, in each case.

The outstanding bonds of each company will continue to effect their respective properties only.

between the Companies in regard to the valuation  
or to the accounts, and Board to have full au-  
thority to change such valuation and re-ally such  
accounts, and the Companies in respect of their  
themselves to accept the decision of the Board  
as final.

7. Provision shall be made by the New Company  
for the raising of the necessary capital by the  
issue of bonds, preferred stock or common stock,  
and the proceeds of the company shall be respectively  
applied as follows:

of the New Company, as may be deemed advisable  
by the Board of Directors; the preferred stock, so  
early such preference or control and vote  
of dividend as may be decided by the New Company.

8. The committee shall have, both on  
behalf of its members individually, and on  
behalf of the New Company,  
remuneration as to payment of the expenses  
incurred by the committee in connection with  
the New Company will receive the payment  
of the bonds and liabilities in an amount  
thus reduced the amount paid to be as with  
not by the New Company to the extent of the  
not assets, in each case.

The outstanding bonds of each company  
shall continue to be paid in accordance with the

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Should the property of any of the companies be bonded to a larger proportion of its value than that of the other two companies the latter may be brought in that respect to the same level, by the issue of two series of bonds, by the NewCompany, one series to rank upon the property of the respective company interested, immediately after the bonds at present outstanding in each case, and to be paid over to the shareholders of the two companies respectively, as part payment of the said net assets. The balance of the net assets of each company may be paid for either in cash, preferred or common stock, as may be deemed advisable."

Then page 91, Board meeting December 11th, 1903;

"The President then reported that he had received a letter from Mr. Crathern, containing a memorandum from the directors of the Merchants Cotton Company which he handed to Secretary to read to the Board.

The memorandum which gave an account of the financial position of the Merchants Cotton Company also contained a proposition from their directors for sale of the net assets of the company to the Dominion Cotton Mills Co. Limited for the sum of One million five hundred thousand dollars (\$1,500,000) payable as follows: Five hundred thousand dollars (\$500,000) cash and the balance

Revised

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Should the property of any of the companies

be bonded to a larger proportion of its value

than that of the other two companies the

latter may be brought in that respect to the same

level, by the issue of two series of bonds, by

the company, and to the same level as the

property of the other two companies is bonded.

Immediately after the bonds of present outstand-

ing bonds, and to see he paid over to the

shareholders of the two companies respectively,

an equal payment of the said net assets. The

balance of the net assets of each company may

be paid for either in cash, preferred or common

stock, as may be considered advisable."

Then came Mr. Board meeting December 11th, 1900;

The President then reported that he had

received a letter from Mr. Greenham, containing

a memorandum from the directors of the companies

proposing a company which he wished to incorporate to

lead to the bond.

The memorandum which gave an account of the

proposed company, and the reasons for its formation

also contained a proposition that three directors

two each of the net assets of the company to the

proposed company which he wished to incorporate to

the million five hundred thousand and dollars

(1,500,000) and to the same level as the

proposed company which he wished to incorporate to

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One million dollars (\$1,000,000), in 6 per cent.  
bonds secured on the St. Henri property and  
plants of their company. The Dominion Cotton  
Mills Company to assume payment of the floating  
liabilities and existing bonds of their company.

The President then put the proposal before  
the Board and was advised to reply to Mr. Drathern  
stating that owing to conditions existing in  
cotton trade at present time our directors cannot  
see their way to accept the offer. /

The President related to the Board an  
interview he had had with Mr. Hope, with view of  
taking over the Colonial Bleaching and Printing  
Company. He stated that Mr. Mole had visited  
the works and that Mr. Mole and the Secretary  
had a meeting with Messrs Whitehead and Shannon  
and had obtained figures of their standing,  
which were read to the Board. / The President  
also stated that at a further interview with  
Mr. Holt, on proposing to take over their company  
at figures to be determined by valuation, that  
Mr. Holt's idea was to sell company as a going  
concern and mentioned \$250 a share as a figure  
that their stock should be purchased for.  
As this was considered out of the question the  
matter was dropped for the present. /

the following: (1) the fact that the company is a public company and

bands secured on the A. Henri property and

plans of their company. The position of the

Wells company to assume payment of the floating

liabilities and existing bonds of their company.

The President then put the proposal before

the board and was advised to reply to Mr. Burt

stating that owing to conditions existing in

cotton there at present time our directors cannot

see their way to accept the offer.

The President related to the board an

interview he had had with Mr. Burt, with view of

taking over the Colonial Shipping and Trading

Company. He stated that Mr. Burt had said that

the works and that Mr. Burt and the secretary

had a meeting with Messrs. Burt and Shannon

and had obtained figures of their assets.

which were sent to the board. The President

also stated that at a certain interview with

Mr. Burt, on proposing to take over their property

at figures to be determined by valuation, that

Mr. Burt's idea was to sell company as a going

concern and mentioned \$250,000 as a figure

that their stock should be purchased for.

As this was considered out of the question the

meeting was adjourned for the following

and the following was the result:



"Your Directors have much pleasure in meeting the shareholders on this 32nd Annual Meeting since the formation of the original company.

The year through which we have just passed has turned out an eventful one in the history of the Company.

It is with deep regret that we have to report that during the year our most esteemed and valued president, Mr. Andrew F. Gault has passed away. His death has been a sad loss to the company as his sound judgment, great ability, and untiring energies were always used to promote its best interests, and he was always ready and willing to lend his experience and to render every assistance in his power to further the welfare of the company, and your directors feel that his death will be an irreparable loss to the Board. Shortly following the demise of our late President came that of Mr. Samuel Finley, who had been a member of the Board since 1897, and was associated with Gault in many enterprises, and later in the year there passed away our trusted and esteemed auditor Mr. John McDonald who had served the company faithfully since its inception. The death of these three gentlemen who have been associated with the Company so long, has been deeply felt by your

2768

Waverley,

"Your directors have much pleasure in  
meeting the shareholders on this third annual  
meeting since the formation of the original

company.

The year, however, which we have just passed  
has proved one of the most successful in the history of  
the company.

It is with deep regret that we have to  
report that during the year our most esteemed  
and valued president, Mr. Andrew G. Smith has  
passed away. His death has been a sad loss  
to the company as his name, reputation, and

to crown the last great interest, and he has always  
been and still is to him his ex-officio and  
to render every assistance in his power to further  
the welfare of the company, and the interests  
feel that his death will be an irreparable loss  
to the board. Shortly following the demise

of Mr. Smith, who was a member of the board since  
1881, and his death was a great loss to the  
company, and it was in the year when passed  
many our losses and our losses were a great  
loss to the company and our losses were a great  
loss to the company. The loss of these three  
gentlemen who have been associated with the  
company so long, has been a great loss to the



Directors.

We have now completed the second year under the management of Mr. Mole and the selling of our output by Messrs Stevenson, Blackader and Co., and your Board have much pleasure in stating that the result of the year has been very satisfactory, especially when we consider the keen competition which we still have to meet from the English market owing to the preferential tariff in favour of Great Britain.

To form an idea of this severe competition we have only to mention the figures of the imports of cotton goods into Canada from Great Britain during the past three years, which according to the Government Statistician amount to \$14,661,277. We have also been hampered in our business by the unsettled state of the raw cotton market during the last six months of our financial year.

The net profits for the year after paying current interest, and other charges, and writing off the large sum of \$81,892.24 for repairs and betterments, amount to \$297,546.03; from this has been deducted interest on bonds \$101,558.59 and after providing for all bad and doubtful debts there is left the sum of \$195,166.57 to add to profit and loss account,

11-10-1914

We have now completed the second year  
of our business, and the results of the  
selling of our output by Messrs. Robertson,  
Blackader and Co., and your board have each  
pleasure in stating that the result of the year  
has been very satisfactory, especially when  
we consider the keen competition which we all  
have to meet from the English market owing to  
the preferential tariff in favour of Great  
Britain.  
To turn in fact at this severe competition  
we have only to mention the figures of the  
imports of cotton goods into Canada from Great  
Britain during the past three years, which  
according to the Government Statistics show  
to be \$12,500,000. We have also been hampered  
our business by the unsettled state of the  
raw cotton market during the last six months  
of the year.  
The net profit for the year after all  
current interest, and other charges, and after  
all the large sum of \$21,000.00 for repairs  
and depreciation, amounting to \$25,000.00, has  
been \$125,100.00 to add to profits and loss account.

5

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5 leaving at credit of this account \$864,723.17 against \$669,556.60 last year. The sales for the year amount to \$3,942,558.89 being an increase of \$666,853.32 over last year, and the largest in the history of the Company.

The Company has now in operation 4974 looms, 207,186 spindles, and employs over 3,000 hands, and paid out in wages last year \$806,100.36.

10 During the year 1903 in conformity with the terms of the Sterling Bond issue £7,000 or \$35,000 has been paid off the mortgage debt.

15 The properties of the Company have been kept in excellent condition, and the outside mills have been visited regularly during the year by our General Manager.

20 Your directors are pleased to state that since the last annual statement was presented to the shareholders the company has produced its floating liabilities nearly \$800,000 principally caused by the large decrease in our manufactured stocks."

25 Now, page 162, Board Meeting December 14th, 1904:

"The President then stated to the Board that the object in calling the meeting was to explain to the Directors, and put before them, an offer made on behalf of a syndicate composed of Messrs David Yuile, John P. Black, Chas. Gordon, and several other gentlemen, which had been formed





5764-B

Eversfield,

for the purpose of acquiring the capital stocks of the following companies: The Dominion Cotton Mills Co. Limited, the Merchants Cotton Co., The Montmorency Cotton Coy, and the Colonial Bleaching and Printing Company. And to fix a price which the Directors could recommend the shareholders of our company to accept for the shares of their stock.

After fully explaining the matter to the Board and submitting an estimate of the value of the property and assets of the Company, the following draft circular letter which explained the offer of the Syndicate, and which was intended to be sent to the shareholders was read.

THE COMMISSIONER: I think that is the same draft as was read this morning, from the Royal Trust Company.

MR. McRUER: Page 178. It is interesting to note that Mr. Forget was the President at that time.

THE COMMISSIONER: Which one of them, r. McRuer?

MR. McRUER: I will ascertain that, my lord.

MR. GORDON: Senator L.J. Forget was the president.

THE COMMISSIONER: What interest attaches to that, Mr. McRuer?

MR. McRUER: Well, he named the members of the Syndicate in the Minutes, but he did not say that he was one of them.

THE COMMISSIONER: He did not name himself.

MR. McRUER: No, my lord.

WESTERN

for the purpose of negotiating the capital stock  
of the following companies: The Dominion Cotton  
Wool Co. Limited, the Merchants Cotton Co.,  
The Montgomery Cotton Co., and the Colonial  
Bleaching and Finishing Company. And to fix  
a price which the directors could recommend and  
shareholders of our company to accept for the  
shares of their stock.

After fully explaining the matter to the  
Board and submitting an estimate of the value  
of the property and assets of the Company,  
the following draft of a resolution which explain-  
ed the order of the directors, and which was  
in order to be sent to the shareholders was read.

THE COMPANY BEING: I think that it was duly  
and read this morning, from the Board of Directors,  
Mr. McNamee: Page 156. It is interesting to

note that Mr. Forster was the President at that time.  
THE COMPANY BEING: which one of them, Mr. McNamee  
Mr. McNamee: I will explain that, my Lord.  
Mr. McNamee: Senator I. J. Forster was the President.  
THE COMPANY BEING: that interest should be taken.

Mr. McNamee:  
Mr. McNamee: Well, he asked the members of the  
Auditors in the minutes, but he did not say that he



Page 178, Board meeting, February 8th, 1905:

"The next matter which came before the Board was a letter dated 28th January, 1905 signed by Messrs J.B. Clearihue, George E. Amyot, and Mathys, F.B. Mathys, which had been addressed to the Directors of the Company, and which contained a copy of resolutions that had been adopted at a meeting of certain shareholders of the Dominion Cotton Mills Co. Limited, held at the Windsor Hotel, on the 19th January, 1905, at which 22 shareholders in person were present, representing a portion of the stock which had not been transferred to the Royal Trust Co. The letters and the resolutions were read to the Board and discussed, and the Secretary was instructed by the Directors to forward the following letter to Mr. Mathys in reply:-

m 'F.B. Mathys, Esq.,  
323 Sanguinet Street,

Dear Sir:

In reply to letter of the 22nd ult., signed by Messrs J.B. Clearihue, George E. Amyot, and yourself, addressed to the Directors of this Company, I am instructed by the Directors to say that the offer of the Syndicate referred to in that letter was an offer which was made to the individual shareholders of this company as such, and that each individual shareholder dealt with

Page 178, Board meeting, February 8th, 1905:  
"The first matter which was brought before the Board  
was a letter dated 1st January, 1905, signed

by Messrs. F.R. Giesbrecht, George H. Angus,

and Messrs. F.R. Giesbrecht, which had been addressed

to the Directors of the Company, and which

contained a copy of resolutions that had been

adopted at a meeting of certain shareholders

of the Dominion Cotton Mills Co. Limited, held

at the Windsor Hotel, on the 14th January, 1905,

at which 22 shareholders in person were present,

representing a portion of the stock which had

not been transferred to the Royal Trust Co.

The letters and the resolutions were read to the

Board and discussed, and the necessary was

instructed by the Directors to forward the following

letter to Mr. Giesbrecht in reply:-

"F.R. Giesbrecht, Esq.,  
222 Adelaide Street,  
Toronto."

Dear Sir:

In reply to letter of the 1st inst., signed

by Messrs. F.R. Giesbrecht, George H. Angus, and

yourself, addressed to the Directors of this

Company, I am instructed by the Directors to say

that the offer of the dividends referred to

in that letter was an offer which was made to

the holders of the shares of the Dominion Cotton Mills Co. Limited,

and that the same was made on the 14th January, 1905,



5764-D

Eversfield,

his shares on his own responsibility as he saw fit;  
some having accepted the offer and others not having  
done so.

5 So far as this Company is concerned, its  
assets and liabilities have been in no way changed  
by the acceptance or refusal to accept by such  
shareholders - the integrity of this company as  
a company being maintained in every respect.

10 Under these circumstances, the directors do  
not think that it is advisable that they should  
accede to the request contained in your letter."

15 THE COMMISSIONER: Is it shown there what that  
request was?

MR. McRUER: No, my lord. I think it becomes rather  
evident a bit later on.

Page 190, Annual meeting, 28th Day of April, 1905,-  
page 192:

20 "MR. MATHYS: I have not heard a question which  
I asked at that meeting relating to the under-  
writing of the bonds mentioned in the reading  
of the minutes."

25 THE COMMISSIONER: Pardon me, was Mr. Mathys a  
Director?

Mr. McRUER: He was a shareholder, my lord.

THE COMMISSIONER: Oh, that was the annual meeting,  
I beg your pardon, Mr. McRuer.

30 MR. McRUER: They have just read the minutes of the  
previous meeting and this is Mr. Mathys' observation;

Everett, 1916

1916-17

his shares on his own responsibility as he was not

having received the offer and others not having

done so.

No far as this company is concerned, its

assets and liabilities have been in no way changed

by the acceptance or refusal to accept by such

shareholders - the integrity of this company as

a company being maintained in every respect.

Under these circumstances, the directors do

not think that it is advisable that they should

rescind the request contained in your letter."

THE CHAIRMAN: Is it shown there what that

request was?

MR. McNEIL: No, my lord. I think it becomes rather

absurd to sit later on.

THE CHAIRMAN: Now, my lord, will you please

proceed?

MR. McNEIL: I have not heard a question with

I asked at that meeting relating to the under-

writing of the bonds mentioned in the reading

of the minutes.

THE CHAIRMAN: Thank you, Mr. McNeil, and

MR. McNEIL: He is a shareholder, my lord.

THE CHAIRMAN: Now, my lord, will you please

begin your question, Mr. McNeil.

MR. McNEIL: Now, my lord, will you please

begin your question, Mr. McNeil.



5764-E Eversfield,

5 "MR. MATHYS: I have not heard a question which I asked at that meeting relating to the underwriting of the bonds mentioned in the reading of the Minutes. I asked a question and an answer was given by the President at that time, and I did not hear that question or answer in the Minutes now read to us.

10 HON. MR. FORGET: I was not here last year, but the Secretary tells me it was done two years ago.

MR. MATHYS: It was last year.

15 MR. HANNA: That question came up two years ago, and it was answered that the bonds had been underwritten at 97.

MR. MATHYS: I asked the question at the last annual meeting if the bonds stated in the annual statement were all actually underwritten.

20 HON. MR. FORGET: What was the answer?

MR. MATHYS: That all the bonds were underwritten.

HON. MR. FORGET: Do you want that put in the Minutes?

25 MR. MATHYS: Yes.

HON. MR. FORGET: Is it your wish, gentlemen, to enter this in the Minutes? You mean the first mortgage bonds?

30 The report of the Directors was read by Hon. Mr. Forget.

The report read as follows:

MR. BRYDIE: I have not heard a question which

I asked at that meeting relating to the

underwriting of the bonds mentioned in the report

of the minutes. I asked a question and an

answer was given by the President at that time,

and I did not hear that question or answer

in the minutes now read to me.

MR. BRYDIE: I am not sure that I

but the Secretary tells me it was done two years

ago.

MR. BRYDIE: It was last year.

MR. BRYDIE: I am not sure that I

and it was answered that the bonds had been

underwritten at 107.

MR. BRYDIE: I asked the question in the last

annual meeting if the bonds issued in the year

statement were all actually underwritten.

MR. BRYDIE: That was the answer.

MR. BRYDIE: That all the bonds were underwritten

and, Mr. President, do you want me to go on the

minutes?

MR. BRYDIE: Yes.

MR. BRYDIE: Is it your wish, President,

to enter this in the minutes? You want the

minutes more complete?

The report of the directors was read by Mr. B.

Report.

The report was read as follows:



'Gentlemen: Your directors have much pleasure on this the occasion of another annual meeting, to place before you the result of the last 12 months' operations in connection with the business of the Company.

"I t<sup>h</sup>is with deep regret that we have to report that during the last year our esteemed vice-president, Mr. James Wilson, has passed away. He had been associated with the Company as a large shareholder for nine years past, and as a director since 1901.

The year through which we have just passed, has turned out the most eventful one in the history of the cotton industry, and we have to acknowledge it has been a most disappointing one to your Company. This has been caused by the high price we had to pay for the raw cotton for the requirements of our mills during the past year, and also to the severe competition from abroad, which had been going on during the greater portion of that time. It was owing to this severe competition and the low price to which the shares of your company had been reduced in the market, that your directors accepted as individuals and recommended the offer which had been made by the Royal Trust Company to the shareholders, to purchase their shares, and which has been accepted by shareholders representing over 65 per cent.

5764-7  
Western

pleasure on this the occasion of another annual  
meeting, to place before you the results of the  
last financial year's operations in connection with  
the business of the company.

I will also report that we have for  
the year ending the last year our business  
has been conducted with the company at a loss  
of \$10,000 for the year ended, and as a

the year ending which we have just passed,  
has shown that the most essential part of the business  
of the cotton industry, and to have to some extent  
it has been a most disappointing one to you.

company. This has been caused by the high price  
we had to pay for the raw cotton for the year  
ending at our mills during the year, and also  
to the severe competition from abroad, which had  
been going on during the greater portion of that  
time. It was owing to this severe competition  
and the low price to which the shares of your

company had been reduced in the market, that  
your directors agreed to an extraordinary  
reduction of the price which had been paid by the  
company for the shares of the shareholders, to

purchase their shares, and which had been at



5764-G

of the total capital.

The net manufacturing profits for the 13 months, after deducting current interest, repairs and other working expenses, amount to \$48,833.37. The following items, however, had to be provided for:

|                                      |                  |
|--------------------------------------|------------------|
| Interest on Bonds,                   | \$118,156.30     |
| Bad Debts,                           | 4,395.82         |
| Underwriters Commission<br>on Bonds, | <u>60,000.00</u> |

A total of - \$182,552.12

Leaving a deficit of \$133,718.75 for the 13 months.

The sales for the 13 months amounted to \$3,345,037.24 being a decrease of \$697,521.63 compared with the 12 months of the previous year.

The Company has now in operation 4975 looms, 208,386 spindles, and employs over 3,300 hands, and paid out in wages last year, \$740,328.90.

During the year 1904, in conformity with the terms of the Sterling Bond Issue £7,000 or \$35,000 has been paid off the mortgage debt.

The properties of the Company have been kept in excellent condition, and the outside mills have been visited frequently during the year by the General Manager.

The books have been audited regularly each month throughout the year by the Company's auditor."

(Page 5760 follows)

(Note: Page numbers duplicated).

of the total capital.

The first amount, during 1912, for the 12 months ending 31st March 1913, was \$100,000.00, and the second amount, during 1913, for the 12 months ending 31st March 1914, was \$100,000.00. The total amount of the two periods is \$200,000.00.

has been paid, and the balance is as follows:

|                   |              |
|-------------------|--------------|
| Interest on loans | \$100,000.00 |
| Less: 1912        | \$100,000.00 |
| Balance forward   | \$100,000.00 |
| 1913              | \$100,000.00 |
| Total             | \$200,000.00 |

During a period of 12 months ending 31st March 1914, the balance of the 12 months ending 31st March 1913, was \$100,000.00, and the balance of the 12 months ending 31st March 1914, was \$100,000.00. The total amount of the two periods is \$200,000.00.

During the year ending 31st March 1914, the balance of the 12 months ending 31st March 1913, was \$100,000.00, and the balance of the 12 months ending 31st March 1914, was \$100,000.00. The total amount of the two periods is \$200,000.00.

The above have been audited regularly and the accounts are found to be correct.



The reporter better copy in the financial statement of the Dominion Cotton Mills (Limited) for the year ending 31st March, 1905.

" THE DOMINION COTTON MILLS CO., LIMITED

PROFIT AND LOSS ACCOUNT, 31st March, 1905.

Dr.

|                                      |                   |
|--------------------------------------|-------------------|
| To interest on Debentures - Sterling | 76,961.30         |
| " " " Currency . . . . .             | 41,195.00         |
| " amounts written off for Bad Debts  | 4,395.82          |
| " 3% Commission on \$2,000,000.00    |                   |
| Currency Bonds underwritten          | 97 60,000.00      |
| " Balance carried forward . . . . .  | <u>731,004.42</u> |
|                                      | 913,556.54        |

|                                  |                  |
|----------------------------------|------------------|
| Cr. By Balance, March 1st, 1904, | 864,723.17       |
| " Net Profits . . . . .          | <u>48,833.37</u> |
|                                  | 913,556.54       |

GENERAL BALANCE

Dr.

A S S E T S

|                                       |              |
|---------------------------------------|--------------|
| To Land and Buildings . . . . .       | 2,619,394.69 |
| " Machinery . . . . .                 | 3,914,582.82 |
| " Motors and Transformers . . . . .   | 173,558.70   |
| " Cottage Property . . . . .          | 131,275.48   |
| " Raw Cotton . . . . .                | 174,204.06   |
| " Stock in Process and Manufactured   | 1,341,266.57 |
| " Bills Receivable and Cash . . . . . | 24,952.45    |
| " Open Accounts . . . . .             | 368,821.66   |
| " Office Furniture . . . . .          | 12,283.83    |
| " Horses, Waggon, &c. . . . .         | 3,529.70     |

Stores:

|                     |               |
|---------------------|---------------|
| Supplies . . . . .  | 110,844.45    |
| Coal . . . . .      | 19,215.16     |
| Drugs . . . . .     | 50,611.17     |
| Starch . . . . .    | 8,192.31      |
| Oil . . . . .       | <u>709.05</u> |
| Insurance . . . . . | 189,572.14    |
|                     | 15,000.00     |

8,968,442.10

2003.08.01



LIABILITIES

Cr.

|                                                                       |              |
|-----------------------------------------------------------------------|--------------|
| By Capital Common Stock . . . . .                                     | 3,033,600.00 |
| " Debentures Sterling . . . . .                                       | 1,125,660.00 |
| " " Currency Sold . . . . .                                           | 229,000.00   |
| " " Underwritten . . . . .                                            | 2,000,000.00 |
| " Loans on Debentures . . . . .                                       | 190,000.00   |
| " " (Regular) . . . . .                                               | 1,248,486.14 |
| " Open Accounts . . . . .                                             | 59,809.46    |
| " Deposits . . . . .                                                  | 7,592.50     |
| " Bills Payable . . . . .                                             | 125,000.00   |
| " Reserved for Magog Trade Discount . . . . .                         | 54,617.31    |
| " Allowance for Wages . . . . .                                       | 35,000.00    |
| " Fire Claim Fund . . . . .                                           | 16,034.77    |
| " Interest and Com. due Underwriters . . . . .                        | 89,417.50    |
| " 3 Months Accrued Interest on Bonds<br>to 31st March, 1905 . . . . . | 23,220.00    |
| " Profit and Loss Account . . . . .                                   | 731,004.42   |

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\$8,968,442.10

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And then proceed at page 206, shareholders  
meeting on the 25th April, 1905:

"Hon. Mr. Forget: I have nothing to  
add to the report now before you gentlemen, and  
I beg to move the adoption of that report,  
seconded by Mr. Yuille.

MR. MATHYS: Before the approval of the  
report I want to raise some questions. I want  
first to know if there is any contract that has  
been made between the directors of the Dominion  
Cotton Company and other concerns, for instance  
especially with The Dominion Textile Company,  
in regard to the common stock, preferred stock  
or bonds of this company, or of bonds, preferred  
stock or common stock of The Dominion Textile  
Company? Is there any such contract existing?  
I wish my question and the answer to be put





of record.

HON. MR. FORGET: No. You will put it down  
in writing yourself.

5 MR. MATHYS: If you will allow me, I will  
write it after the meeting is over.

HON. MR. FORGET: What is you want to do?

10 MR. AMYOT: We want this in the record, in the  
minutes of this meeting so that there will not  
be any misunderstanding at any time.

15 MR. MATHYS: Now, I saw in the financial state-  
ment that there is an item of commission, and  
also an interest charge put to the credit of  
the directors. Now, I thought that this  
matter was settled a long time ago, and it  
appears that it is not, and it is just appear-  
ing in the statement this year, although  
this matter was taken up three or four years  
20 ago. Now I wish to know if you can read the  
minutes of the board of directors meeting re  
this underwriting contract.

Page 210:

25 MR. AMYOT: In presenting your statement you  
said it was with much pleasure you were doing  
so. Unfortunately the shareholders do not  
take it in such a good light as you do. It is  
not with great pleasure we have learned that  
30 our business has been offered for sale, or  
recommended to be sold by the directors, who

CONFIDENTIAL

YOU. Mr. BRYDIE: No. You will not be aware

in writing, however.

Mr. BRYDIE: If you will allow me, I will

write it after the meeting is over.

Mr. BRYDIE: That is you want to get

Mr. BRYDIE: I want that in the record, in the

minutes of this meeting so that there will not

be any misunderstanding at any time.

Mr. BRYDIE: I see. I see in the financial report

means that there is an item of commission, and

also an interest charge put to the credit of

the corporation. Now, I thought that this

matter was settled a long time ago, and it

means that it is not, and it is just an open

item in the statement this year, although

this matter was taken up three or four years

ago. Now I wish to know if you can read the

minutes of the board of directors meeting re-

lated with this subject.

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Mr. BRYDIE: I am assuming your statement you

said it was with your statement you were doing

the statement and I am assuming that is

that it is such a good thing as you say. It is

not with great pleasure we have learned that

the statement was not correct and that

the statement is not correct and that



are not in my mind sufficiently interested  
to take upon themselves to recommend such a  
thing. A stock valued at over three millions  
and which presents a balance sheet of about  
ten millions, and that directors not represent-  
ing over six hundred shares would recommend . . .

THE COMMISSIONER: Over six hundred shares?

MR. McRUER: I think he is suggesting that the  
directors only hold six hundred shares by themselves  
in their own names. I don't know whether he is  
accurate on that.

. . . would recommend, without consulting the  
shareholders whatever, to sell their stock at  
fifty cents on the dollar, when twelve months  
before that they showed us in good faith, I  
presume, that there as at our credit 129 cents  
on the dollar, which makes quite a different  
thing, and makes quite a difference in our  
private assets. We were shown that we had got  
assets valued at 129 cents on the dollar, and all  
of a sudden these directors, who are in my mind  
not interested in our business, compared to the  
capital involved, recommend the sale of these  
same assets for fifty cents on the dollar, and  
then no cash, but we would get bonds and stock,  
and especially bonds that so far they have not  
been able to issue, and they will have a great  
deal of difficulty to do it. We have not looked

MEMORANDUM  
TO: [illegible]

are not in my mind sufficiently interested  
to take upon themselves to recommend such a  
thing. A stock valued at over three millions  
and which presents a balance sheet of about  
ten millions, and that directors not represent-  
ing over six hundred shares would recommend . . .  
THE RECOMMENDATION: Over six hundred shares  
Mr. Mohr: I think he is in a position that the  
directors only hold six hundred shares by themselves  
in their own names. I don't know whether he is  
accurate on that.  
... would recommend, without consulting the  
shareholders whatever, to sell their stock at  
fifty cents on the dollar, when twelve months  
before that they showed us in good faith, I  
presume, that there was an over credit in cents  
on the dollar, which makes quite a different  
thing, and makes quite a difference in our  
balance sheet. We were told that we had not  
assets valued at the cents on the dollar, and all  
of a sudden these directors, who are in my mind  
not interested in our business, proposed to the  
board involved, recommend the sale of these  
same assets for fifty cents on the dollar, and  
then to cash, but we would not have any cash  
and especially from the fact they have not  
been able to loan, and they will have a great  
deal of difficulty to do it. We have not been

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at that which as much pleasure as the chairman has.

5 You also mention that the stock has gone down considerably during the last few years. I think if it has, it is principally due to the directors themselves who have kept the operations of the concern absolutely private, and put everybody on their guard as to its value. A  
10 stock that sold once in the vicinity of 130, and directors holding some thousands of shares, all of a sudden you find them selling, and find they have sold their stock to the public, and are  
15 holding about fifty shares only, so as to remain on the board and draw the salary etc. This is not the proper way of running a business, to create confidence in such an enterprise. For that reason I would move the following resolution  
20 in amendment to the Motion:

25 An Amendment to the motion for adoption of report and the financial statement now before the shareholders: That said report and financial statement be approved with the reserve that all items mentioned therein for money paid or to be paid to the directors, or any of them and for liability or obligations towards said directors be struck off, being illegal.

30 HON. MR. FORGET: Any other gentleman want to say anything.

RECEIVED

1944

of last year as such persons as the chairman

you also mention that has story was done

these somewhat recently during the last few years.

I think it is true, it is probably one of the

persons mentioned who have kept the organization

of the company financially sound, and that

everybody on the board as far as the future.

work that has been done in the vicinity of 1937, and

financially holding some thousands of shares, all of

a rather good time then selling, and then they

have sold their stock to the public, and are

existing about 100,000 shares only, so as to remain

on the board and grow the company etc. This is

not the proper way of running a business, so

create confidence in such an enterprise. For

that reason I would move the following resolution

is amendment to the motion:

to amend to the motion for adoption of

report and the financial statement and

the annual report: That the board and financial

the board be authorized to reserve that all

amount mentioned therein for money, to be

paid to the directors, or any of them and the

amount of the following: That all the

be given out, being the

and the board, and the directors and

and the board



5 MR. CLEARIHUE: I have in my possession a letter  
sent to one of your shareholders signed by  
your secretary which says "The net profits for  
the year, after allowing for all fixed charges  
shows a surplus of \$195,105.50, which is equal  
to 6½% per cent on the capital stock of the  
Company. During the year we have decreased our  
liabilities nearly \$800,000 which places the  
10 company . . . . ."

Now, taking this letter from your own  
secretary dated 5th July 1904 and then receiving  
your circular on the 16th of December 1904,  
15 advising the shareholders to accept fifty cents  
on the dollar, not even fifty cents cash, but  
fifty cents a portion in a company we knew  
nothing about - you gave us no particulars  
whatever, you simply draw our attention by  
20 circular from The Royal Trust Company, that the  
Syndicate will put \$500,000, if my memory is  
right, in the preferred stock of the new  
Company, and invest \$500,000 in the common stock.  
Now, in the preferred stock they say they will  
25 invest it at par, but when they come to say  
they will invest \$500,000 in the common stock,  
they do not say what they are going to get,  
or the number of shares they are to get. Now,  
30 Mr. Chairman, I know I am not dealing with the

Mr. Chairman: I have in my possession a letter  
sent to one of your shareholders signed by  
your secretary which says "The net profit for  
the year, after allowing for all taxes and  
other charges of \$12,111.00, which is equal  
to 4 1/2 per cent on the capital stock of the  
company. During the year we have increased our  
working capital fund, and during the year  
have, taking this letter from your  
secretary dated 2nd July 1900 and other documents  
your statement of the year of 1900, and  
advising the shareholders in amount of the  
of the dollar, not even fifty cents each, the  
fifty cents a dollar in a moment we have  
nothing about - you give us no explanation  
whatsoever, and simply state the following  
that the 1st of July 1900 is the date of the  
operation will be \$100,000, then money is  
of it. In the previous year of the new  
company, we have \$100,000 in the common stock  
fund, in the previous year we had only \$100,000  
invested in it, but when we come to the  
they will invest \$100,000 in the common stock,  
they do not say that the \$100,000 is the  
of the capital of the company, but to give us  
Mr. Chairman, I have a not holding in the

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5 Dominion Textile Company here, but I am dealing  
with our guardians, with the people we put in  
trust to keep our stock right, and I ask the  
question, is it fair to the shareholders of  
the Dominion Cotton Mills Company to treat us in  
that way? It is generally believed that the  
syndicate will get a very large proportion of  
stock for their \$500,000. It is generally  
10 believed so. If so, why do you try, or,-- yes,  
why do you as directors try to get us shareholders  
into such a trap, sir? Now, the excuse given  
largely by our Cotton Mills Company is -- that  
the reason they are not making money is, they  
15 are not getting sufficient protection. I want  
to say I am a protectionist, but I am not a  
protectionist on a lot of watered stock (hear  
hear) and I say that that is why our protective  
tariff has been dragged in the mud as it has  
20 been for years past, and if the present govern-  
ment do not look into the matter it will be a  
very very short time now before the investors in  
this country will be very chary before they put  
25 one copper in the enterprises which should de-  
velop our country.

MR. ARCHAMBAULT: I would like to know if the  
President and directors since January have con-  
30 tinued to act as directors of the Dominion





Cotton Mills Co. without any intervention in the office of direction.

HON. MR. FORGET: Without any intervention.

5 MR. ARCHAMBAULT: None of the Directors have resigned?

HON. MR. FORGET: None.

10 MR. ARCHAMBAULT: Is the manager of the Dominion Cotton Co. the manager of the Dominion Textile Co.?

HON. MR. FORGET: Yes sir.

15 MR. ARCHAMBAULT: How is it that he does not give all his time to manage the affairs of the Dominion Cotton Company.

ANSWER: He does give all his time.

MR. ARCHAMBAULT: But at the same time he manages the business of the new Dominion Textile Co.

20 HON. MR. FORGET: He has something to do with the Dominion Textile Co. but he has also something to do with the Dominion Cotton Mills Co.

25 MR. ARCHAMBAULT: Mr. President, we want a manager who will occupy himself with our company not with other companies of which the interests are different and that could be prejudicial to our company.

30 HON. MR. FORGET: On the contrary, in choosing the manager of your company, the Dominion Cotton Company, as manager of other companies, he is in a position to bring more profit to your company.





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Eversfield

MR. ARCHAMBAULT: " If I understand the report well, I see that last year there was a deficit of \$133,000. At present there is considerable stock of cotton not sold about \$1,300,000.

Is this manufactured stock or to be manufactured?

HON. MR. FORGET: To be manufactured and manufactured.

MR. ARCHAMBAULT: I would like to know if the manager prefers to sell the stock of other companies besides our own, that is where I see that our manager cannot be manager of other companies at the same time. Necessarily it is a position that is contrary to all good principals of administration. Is it that the manager is more interested in selling the cotton of other companies of which he is also manager, leaving ours not sold because I see that the amount of our cotton not sold this year is considerably more than that of last year.

HON. MR. FORGET: Last year the stock was \$1,500,000., whereas this year it is only \$1,300,000.

MR. ARCHAMBAULT: In any case it is not a normal position to see our manager managing the interests of rival companies to ours. I would ask that in the future, the management of

... I am not sure that I have not been a little bit  
well, I see that last year there was a deficit  
of \$100,000. At present there is a surplus  
stock of cotton not sold about \$1,000,000.  
Is this unaccounted stock or do we have  
...  
... To be manufactured and  
...  
... I would like to know if the  
manager prefers to sell the stock of other  
companies besides our own, that is where I see  
that our manager cannot be manager of other  
companies at the same time. Personally  
it is a position that is contrary to all good  
principles of administration. It is that the  
manager is more interested in selling the cotton  
of other companies of which he is also manager.  
Leaving ours not sold because I see that the  
amount of our cotton not sold this year is  
considerably more than last of last year.  
... last year the stock was  
\$1,000,000, whereas this year it is only  
\$1,000,000.  
... In any case it is not a  
normal position to see our manager managing the  
interests of other companies to ours. I would  
... the future, the management of

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The Dominion Cotton Mills Co. choose between the management of our company and that of other companies. I would like to know also, if during the year he has made a particular estimate of the properties of our company by experts or others, and if the report has been made known to other persons as well as to the shareholders of our company. I would also like to know if the report represented is exact and if our properties are worth the estimated amount in the report.

HON. MR. FORGET: We have not had any experts.

Then at page 225:

MR. ARCHAMBAULT: As a shareholder I would say that I have no objection that there should be a combine or an understanding between the different cotton companies, but before, we would like to know what is this understanding or combine. At the same time as this meeting was not held for this end, there is no need to discuss this question today.

Then at page 231:

MR. ARCHAMBAULT: I would like to know if the combine will continue to exist as in the past and if its interests and its accounts have been and will be held distinctly apart.

HON. MR. FORGET: Yes, completely, and it will be as long as the shareholders continue to uphold it.

1917

The position of the company will be, of course, between the management of the company and that of other

companies. I could like to know also, if

during the year he has made a particular anti-

note of the properties of our company by

extents on other, and if the report has been

made known to other persons as well as to the

management of our company. I would like

like to know if the report mentioned in the

and if our properties are worth the estimated

amount in the report.

Now, Mr. Brydie, we have not had any experts,

at our office.

Mr. Brydie: I am a shareholder in this

company and I have no objection that these should

be a committee of our shareholders, but before we

would like to know what is this necessarily

on account. At the same time as this meeting

was not held for this end, there is no need

to discuss this question today.

Then at our office.

Mr. Brydie: I could like to know if the

company will continue to exist as in the past and

in the last report and the accounts have been and

will be well directedly spent.

Now, Mr. Brydie, I am, of course, and it will be

as long as the company continues to exist.



If there is a wish to enter into the Dominion Textile Company they are at liberty to do so, each one is free, this combination is simply to help each company.

Then at page 298:

Meeting of board of directors, September 6th, 1905, the following directors were present:

C. B. Gordon, Esq.

Hon. L. J. Forget

H. S. Holt, Esq.

J. P. Black, Esq.

D. Williamson, Esq.

C. B. Gordon Esq. occupied the chair.

The question of making a lease of this company's mill and other properties to the Dominion Textile Co. Ltd. for a term of years was considered, and the general terms of such a lease having been discussed and approved of by the directors of both companies:

It was resolved to request the Dominion Textile Co. Ltd. to have its solicitors prepare a draft form of lease for consideration by the shareholders of this company at a special general meeting of such shareholders to be held at this company's office in the city of Montreal on Thursday the 5th day of October next at the hour of twelve o'clock noon, and the secretary of the

If there is a wish to enter into the Dominion  
Textile Company they are at liberty to do so, each  
one is free, this condition is simply to help  
each company.

Then at page 198:

Section on part of directors, 1900-1901  
etc., 1900, the following directors were present:

G. A. Gordon, Esq.

Hon. A. J. Brown

W. A. Brown, Esq.

A. J. Brown, Esq.

W. A. Brown, Esq.

A. J. Brown, Esq. and W. A. Brown, Esq.

The directors of the Dominion Textile Company

company's bill and other matters to the

company's bill and other matters to the

was considered, and the general terms of the

company's bill and other matters to the

the directors of the Dominion Textile Company

it was resolved to have the Dominion

Textile Co., Ltd. to have the Dominion

a bill to be passed the Dominion

the Dominion of the Dominion

meeting of the Dominion

company's bill and other matters to the

company's bill and other matters to the

company's bill and other matters to the



company was instructed to send out the necessary notices calling such special general meeting of shareholders accordingly.

5 Then page 301, meeting of directors, October 2nd, 1905:

10 "A letter from the Dominion Textile Company Ltd was submitted to the board, offering to sell the goods manufactured by our company and also to guarantee the payment of all accounts for the sale of goods so affected in consideration of a commission of 3% on the amount of goods sold, and in addition to this to transact all the balance of the business of our company in so far as it relates to the purchasing of supplies, raw cotton, coal, drugs ac. and attending to the financial arrangements of our company generally, for our proportion of their expenses of the administration of the four companies. This arrangement to date as from the 1st April last past. After this matter had been fully discussed, it was decided to accept the same and the secretary was instructed to write to the Dominion Textile Co. Ltd. to that effect, the following letter being drafted at the meeting.

30

company was instructed to send out the

meeting of shareholders a secondarily.

When page 301, meeting of directors, October 1901.

It is not clear the meeting of directors

was submitted to the board of directors

and the goods manufactured by our company

and also to guarantee the payment of all

claims for the sale of goods as stated in

the constitution of a corporation of 10 or 20

shareholders of 1000 shares, and in relation to this

to present all the business of the company

of our company in so far as it relates to the

business of shipping, and other, and other

and attending to the financial arrangements

of our company generally, for our corporation of

the expenses of the administration of the

our expenses. This arrangement is made in

the first of the articles of association.

It is not clear from the above that the

to accept the same and the secretary was

submitted to the board of directors.

It is to that effect, the following having been

submitted to the board.

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Montreal October 2nd 1905.

Messrs. Dominion Textile Company Ltd.

C I T Y.

Dear Sirs:-

5           Your letter of even date, with offer to  
sell the goods of our company and to guarantee  
payment of the accounts for the sale of goods so  
effected, on a commission basis of 3%, and further,  
10       to transact all the balance of the business of  
our company in so far as it relates to the  
purchasing of supplies, raw cotton, coal, drugs  
&c. and attending to the financial arrangements  
of our company generally, for our proportion of  
15       your expenses of the administration of the four  
companies, this arrangement to date from the 1st  
April last past came before our board at a meeting  
held today, and I was instructed to inform you  
20       that our directors decided to accept your offer."

Then page 304, a meeting of directors October 3rd,  
1905:

25       "The matter regarding the leasing of this  
company's mill and other properties to the  
Dominion Textile Co. Ltd. again came before  
the directors and was discussed. It was decided  
to leave the same over for another week, for  
further consideration, and to have Mr. A. J. Brown  
attend the next meeting when the matter of the  
30       lease would again be brought up."

1907

Dear Sirs:

Your letter of even date, with offer to

sell the stock of the company and to purchase

payment of the accounts for the sale of goods in

accordance, on a commission basis of 5%, and further

to transmit all the balance of the business of

our company in so far as it relates to the

procurement of supplies, raw cotton, coal, sugar

and extending to the financial and general

of our company generally, for our proposition of

your purchase of the stock of the company at the price

proposed, this arrangement to have from the 1st

will be at once put into effect and a meeting

held on day, and I was instructed to inform you

that our directors decided to accept your offer.

Then on 2nd, a meeting of directors was held,

1907:

The meeting was held at the office of the

company's affairs and was attended by the

directors and was discussed. It was decided

to leave business over for another week, for

further consideration, and to have Mr. J. J. Brown

attend the next meeting with the object of the

same being to be decided on.

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Then page 306, Meeting of Directors, October 30th,  
1905:

"The matter regarding the leasing of this  
company's mill and other properties to the  
Dominion Textile Co. Ltd. was then taken up  
and discussed.

It was resolved to request the Dominion  
Textile Co. Ltd. to have its solicitor re-draft  
the form of lease for consideration by the  
shareholders of this Company, at a special  
general meeting of said shareholders to be held  
at the company's office in Montreal on Friday  
the 10th day of November next, at the hour of  
12 o'clock noon, and the secretary of the  
company was instructed to send out the ne-  
cessary notices calling such special meeting  
of the shareholders accordingly."

Then page 307, Meeting of Directors November 5th, 1905:

"The matter regarding the leasing of this  
Company's mill and other properties to the  
Dominion Textile Co. Ltd. was then taken up.  
A draft of the form of lease for consideration  
by the shareholders of this company, at the  
special general meeting to be held on the 10th  
instant was read to the board and discussed.  
It was unanimously decided to fix the rental of  
this company's mill and other properties to the  
Dominion Textile Co. Ltd. on a basis of 4%

The first of the following is a summary of the results of the

1975

The matter regarding the leasing of this  
company's mill and other properties to the  
lessee, which was the subject of the  
and discussed.

It was resolved to request the lessee

to provide a statement of the value of the

the form of lease for consideration by the

shareholders of this company, at a special

meeting of the shareholders to be held

at the company's office in Toronto on Friday

the 10th day of December, next, at the hour of

10 o'clock a.m., and the secretary of the

company was requested to send out the

notice of the meeting with the usual notice

of the shareholders accordingly.

Then page 507, heading of Financial Statement for 1975

"The matter regarding the leasing of this

company's mill and other properties to the

lessee, which was the subject of the

A report on the form of lease for consideration

by the shareholders of this company, at the

special meeting held on the 10th day of

December was read to the board and discussed.

It was unanimously decided to fix the amount of

the lease at \$100,000 per annum, and the

lease to be for a period of five

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per annum on the capital stock of our company,  
plus the amount which would have to be paid  
for interest on the outstanding bonds of the  
company."

Then at page 309, a special general meeting, November  
10th, 1905:

Copy of the lease was submitted to the share-  
holders and then discussion follows on page 319:

MR. ARCHAMBAULT: This contract puts us  
entirely in the hands of the leasing company,  
if our suspicions are actually founded, why do  
you not give complete and true explanation to the  
shareholders of the Dominion Cotton Mills Co.  
the Dominion Textile could give explanations,  
and if our doubts are actually founded, then  
there would be no difficulty, we do not see  
why there could not be a lease made that would  
cover all these difficulties, and erase all  
doubts, by which the shareholders of The  
Dominion Cotton Mills Co. would be assured  
of a rent, by which the lessees would return  
to us at the end of the term the properties  
just as they are today. I have put some  
questions in writing and would ask the President  
to be good enough to answer them. Because  
there are many of us here acting as Executors  
or representatives of other people to whom we  
have to give a report and to whom we are

per annum on the capital stock of our company.  
plus the amount which would have to be paid  
for interest on the outstanding bonds of the  
company.  
Then at page 804, a special general meeting, resolution  
1904, 1905:  
copy of the same was submitted to the above-  
mentioned and then discussion follows on page 813:  
and the same was adopted.  
and it is in the hands of the lease company,  
if our attention is particularly directed, why do  
you not give a complete and full explanation to the  
members of the company as to the same?  
and it is found that the same is not correct,  
there would be no difficulty, we do not see  
why there could not be a lease and that would  
cover all these difficulties, and since all  
things, by which the same is done at the  
company as to the same, would be done at  
of a rent, by which the lease would remain  
to us at the end of the term and that is  
that we have no loss. I have no doubt  
questions in which you would see the same  
in the same way as the same, which  
that we have no loss, we have no loss, we have no loss  
the same as the same, we have no loss, we have no loss  
the same as the same, we have no loss, we have no loss

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responsible, if we do not take the necessary precautions. Here are the questions.

I, the undersigned shareholder of The Dominion Cotton Mills Co. beg Mr. President and Directors of the said company to please furnish the shareholders present with the following information.

1. What is the present surplus active capital of the company over the passive capital?

2. What is the amount of the said capital debit of the company either in debentures, obligations, loans or otherwise?

3. Has the company since the 1st January 1905 issued any preferred shares or debentures, or sold any new obligations, or contracted for any new loans, if so, for how much, in whose favor and of what nature. If it has issued any preferred shares or any new hypothec obligations, are they in conjunction with the Statutes of Canada 62 - 63 Victoria Chap. 40 and II Edward VII Chap. 15.

4. Has a statement of the operations, purchases or sales of the company since the last one furnished to the shareholders, been kept separate from the Dominion Textile Co. If so, what is the actual state of the company's affairs. Have they at present a surplus or deficit? How much?

responsible, if we do not take the necessary  
precautions. Here are the questions.

1. The registered shareholders of the

company to the effect of the registered and

shareholders of the said company to please furnish

the shareholders present with the following

information:

1. What is the present amount of active capital

of the company over the passive capital?

2. What is the amount of the said capital

held by the company either in debentures,

collateral, or in other assets?

3. Has the company since the 1st January 1920

issued any preferred shares or debentures, or

held any new obligations, or contracted for any

new loans, if so, for how much, in what form

and at what rate? If it has so used any

money not raised on any new debentures or

loans, how has it been applied and the amount

of each of the said items? 4. Has the

company any other assets?

5. Has the company any other liabilities?

6. Has the company any other assets or

liabilities to the shareholders, such as

dividends or interest on loans?

7. What is the actual value of the

company's assets? Has the company any

other assets or liabilities?

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5. Since the last report, have any of the debentures, obligations or notes been paid, cancelled or paid in previous to this report? If so, how much? By whom? And with what funds?

6. Has there been to the knowledge of your Board of Directors, since the 1st January last, a transfer of any of our debentures, obligations or debts to new companies or to new creditors, if so, how much, and to whom and by what means.

7. Who has seen since January last, the result of the sale of our Company? At what bank and in whose name were the monies deposited?

8. In whose name are the shares that were transferred to the Royal Trust Company standing in the transfer register held by this Company according to law, are they still in the name of the Dominion Textile Co. or under some other name?

9. Is it out of the funds of the Dominion Cotton Mills Co. that the dividends and interest paid since the last meeting have been paid to the shareholders who have transferred their shares to the Royal Trust Co. or to others.

10. Has there been paid by this company since January 1905 to the old shareholder who transferred their shares to the Royal Trust Company some money by way of interest or dividends?

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5. Since the last report, have any of the  
dependent corporations or notes been paid,  
cancelled or in arrears in this report.  
If so, how much, by whom, and with what funds?  
6. How have you to the knowledge of your  
board of directors, since the last January last,  
a transfer of any of our debentures, collat-  
erized or given to new companies or to new credit-  
ors, if so, how much, and to whom and by what  
means.  
7. Who has been since January last, the holder  
of the call of our bonds? If what date  
and in whose name were the bonds cancelled?  
8. In whose name are the shares that were  
transferred to the Royal Trust Company since  
the last transfer registered by this company  
and how many, are they still in the name of  
the old company or have they been transferred?  
9. Is it at the time of the transfer  
shown in the 2d. that the dividends and interest  
paid since the last meeting have been paid to  
the shareholders who have been named their  
shares to the Royal Trust Co. or to others.  
10. How have the shares been paid by this company since  
January 1902 to the old shareholders and those  
transferred their shares to the Royal Trust company  
some money by way of interest on dividends?



Was the a given issued or delivered some preferred shares of this company or some obligations that would equal the same thing.

5 Please have these questions entered in the minutes in the report of this meeting, also the answers that will be made by the President or the Directors of the company.

10 Made in duplicate and signed, at Montreal this 10th day of November, 1905, one of the duplicates being herewith handed to the President.

L. H. Archambault

Shareholder

15 THE COMMISSIONER: Any answers to them?

MR. McRUER: I do not find they were answered.

Then at page 338:

20 MR. AMYOT: I will now move the following resolution: Moved in amendment by George E. Amyot:

Seconded by F. B. Mathys:

25 Whereas the power of the company to lease its property as suggested by the Board is questionable:

30 And whereas the Dominion Textile Company Limited, the proposed Lessee of such property, having purchased a large majority of the shares of this company, will occupy the position of Lessor and Lessee in the transaction.

was the a given instance of being not some

proposed course of the company of some 20-

figures and was not a part of the same.

Please note these figures entered in

the minutes in the report of this matter, also

the account that will be made by the President

or the Directors of the company.

There is no limit and amount, as mentioned

this limit of the amount, but, as of the

figures are being provided to the

L. H. Thompson

Secretary

The Board of Directors: A. J. Thompson to them

Mr. Thompson: I do not find they were answered.

Two at page 100.

Mr. Thompson: I will now read the following

proposed course of the company of some 20-

figures and was not a part of the same.

There is no limit and amount, as mentioned

this limit of the amount, but, as of the

figures are being provided to the

proposed course of the company of some 20-

figures and was not a part of the same.

Please note these figures entered in

the minutes in the report of this matter, also



And whereas the interests of the said Dominion Textile Co.,pany as holder of said majority of shares may be adverse to that of the remaining shareholders of the company.

And whereas the present members of the Board of Directors of this company are the nominees of the said Dominion Textile Company:

Be it resolved that the proposed lease be referred to a committee composed of George E. Amyot, F. B. Mathys and Senator L. F. Forgeto with instructions to take legal advice as to the power of this company to the effect such lease and to report to this meeting on the twenty seventh day of November instant, as to the legal advice they may have obtained, and as to the expediency of such lease; the members of said committee to have in the meantime free access to all the books and papers of the company.

MR. CLEARHUE: You are moving in amendment to a motion which is not made.

HON? MR. FORGET: We had better have the motion made regularly.

MR. HOLT: I beg to move the following motion: That the said draft form of lease and the terms and conditions thereof be approved of, and that the president and secretary of this company be





and they are hereby authorized to sign and execute the same for and on behalf of this company.

MR. BLACK: I beg to second that motion.

5 MR. AMYOT: Then I move in amendment the amendment I have already read to the meeting,

HON. MR. FONG T: You have heard the motion that the lease read by the secretary be approved of, and we have also before us an amendment  
10 moved by Mr. Amyot and seconded by Mr. Mathys, you do not want them read again?

THE SHAREHOLDERS: No.

15 MR. CLEARHUE: Before you put that to the meeting I would like to say that I protest most emphatically against the action of our Board of Directors bringing us here as shareholders without the least bit of particulars, to put through such a lease as is proposed at present.  
20 Certainly I as one of the minority shareholders at present, as we may call ourselves, do protest with all my might against such an action. It is only a very short time since we got this notice, no particulars, no word as to  
25 whether we have made any money since the thirty first of March last -- I understand we are not supposed to get it. We cannot get any particulars at all, and I must protest with all my  
30 might against the action of our directors of the Dominion Cotton Mills Company.





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MR. AMYOT: Mr. President, I believe that we are brought together at this meeting to authorise the Directors to perform a very important transaction, why therefore is there not some report to give us showing the state of the company. If the company has not made enough money to show, or if it has made money, why do you not truthfully show us a statement of its affairs. You want us to perform this important transaction without enlightening us in any manner of this transaction. If you cannot give us the explanation that we ask, I present the following motion."

THE COMMISSIONER: What motion, the same motion? That must be something new.

MR. McRUER: There is notation that "motion read in English." That must have been Mr. Amyot previous motion. Yes, that could be Mr. AMYOT's previous motion:

THE COMMISSIONER: Do I understand that there was litigation?

MR. GEOFFRION: Yes, it was passed and these dissenting shareholders took an action to set aside this lease and it went up to the privy council.

THE COMMISSIONER: I wish somebody would give me the reference.

MR. McRUER: Mr. Beauregard had the books here yesterday.

MR. WYATT: Mr. President, I believe that we  
are brought together at this meeting to  
authorize the officers to perform a very  
important transaction, why I suppose it is  
as some object to give us money, the same  
of the company. If the company has not made  
enough money to show, or if it has made money,  
why do you not truthfully show us a statement  
of its affairs. You want us to perform this  
important transaction without enlightening  
us in any manner of this transaction. If you  
cannot give us the explanation, that we ask,

THE CHAIRMAN: What motion, the same motion?  
That must be something new.

MR. WYATT: There is motion for "motion  
read in English." That must have been Mr. Wyatt's  
previous motion. Yes, that only is Mr. Wyatt's  
previous motion.

MR. CHAIRMAN: Yes, it was passed and those  
dismissing shareholders took no action to set aside  
this lease and is sent up to the jury counsel.  
THE CHAIRMAN: I wish now to say that also



MR. GLOFFRION: Your Lordship will find extract  
of the judgment in that book that was filed the  
other day, "Financial History of Your Company".  
I will get it for your Lordship.

MR. McRUER: Then at page 346:

"HON. MR. FORGET: Gentlemen, I would  
like to ask Mr. H. S. Holt and Hon. Robert  
MacKay to act as scrutineers. The first vote  
will be on the amendment moved by Mr. Amyot."

Then at page 378:

"MR. HOLT: Mr. Chairman: We have to report  
that the votes registered

For the amendment 2164

Against the amendment 26659."

And the motion was carried.

MR. McRUER: We now have, my Lord, the minutes  
of several meetings of the Dominion Cotton Mills  
Company, annual meeting, but the receipts are just  
the receipts from the rentals.

THE COMMISSIONER: That is the only interest they  
had left.

MR. McRUER: That was the only interest they  
had left, that was, receipts from rentals. That  
goes on for a number of years, and I am not sure  
just how the Dominion Cotton Mills Company finally  
disappeared. The last entry in this book is 19th  
July, 1909.

Q. Do you know, Mr. Eversfield, how the

Mr. O. J. ... Your ... will ...  
of the ... in the ... that ...  
other day, " ... of ..."  
I will ... for your ...  
...  
...  
like to see Mr. H. ... and ...  
... to ... as ... The first ...  
... on the ... moved by ...  
... at ...  
... Mr. ... to have to ...  
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For the ...  
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... the ... was ...  
... to have, ... the ...  
of several ... of the ...  
Company, ... meeting, but the ... are ...  
...  
THE ... That is the only interest they  
had left.  
... That was the only interest they  
had left, that was, ...  
...  
... the first entry in this book is ...

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Dominion Cotton Company was finally wound up?

A. No, I should not give you that information off hand. There is another minute book following that.

5 THE COMMISSIONER: Q. Their property up to this time had been leased to the Dominion Textiles - what has become of that property? A. The time they secured ownership--

10 Q. When did they secure ownership of this leased property, about what year - do you know that?

A. I believe it was 1917.

THE COMMISSIONER: In that case the Dominion Cotton Company must have had existence up to 1917.

15 MR. MEKLER: Q. They apparently gradually acquired the outstanding shares? A. Yes sir.

Q. Until they were all in their hands and then the assets of the Dominion Cotton Mills Company were transferred to Dominion Textile? A. Exactly.

20 Q. I show you a book, do you identify it as a minute book of the Merchants' Cotton Company that comes from the records of the Dominion Textile Co.?

A. Yes sir.

25 Q. Now, we start with a meeting of a special board meeting on the 3rd of April, 1902, on page 3 of this book. I do not think that is the beginning of the Merchants' Cotton Company? A. No sir,

that is the only minute book we have of the company.

30 Now, special meeting of directors, 3rd April, 1902.

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The President read a letter from Mr. A. F.

Gault in which he stated that the views of the Board as to the value of this property, as contained in the minutes of the preceding meeting, had been submitted to the Board of the Dominion Cotton Mills Co. and that he had been authorized to state that they considered the same much too high and that they could name \$1,000,000, 6% Bonds (secured on both properties) and \$750,000 of 5% preferred stock as a fair value.

The President read a letter from the Hon. Robert Mackay, in which he expressed his personal unwillingness to accept any lower offer than that made. After discussion the Board instructed the president to reply to Mr. Gault stating that in view of the earning capacity of the property and the dividends paid in past years, the Board could not consent to modify their offer."

This is the Balance Sheet for the 31st December, 1902. It shows property, land, buildings and machinery, \$2,047,989.30. Shows a capital account of \$1,500,000. A reserve account of \$400,000 and first mortgage bonds, \$182,000. A credit to profit and loss of \$2,698.81. Net profits per year of \$54,134.68. Apparently a total bond issue outstanding of \$650,000.

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The President read a letter from Mr. J. J. Gault in which he stated that the value of the Board as to the value of this property, as contained in the minutes of the preceding meeting, had been submitted to the Board of the Dominion Cotton Mills Co. and that he had been authorized to state that they considered the same much too high and that they would have a value of \$1,000,000. (The Board had previously ordered the same much too high and that they would have a value of \$1,000,000.)

The President read a letter from the Hon. Robert Gault, in which he expressed his personal unwillingness to accept any lower offer than that made. After discussion the Board instructed the President to reply to Mr. Gault stating that in view of the correctness of the property and the dividends paid in past years, the Board could not consent to modify their offer.

This is the balance sheet for the first December, 1924. It shows property, land, buildings and machinery, \$4,047,989.80. Shows a capital account of \$1,500,000. Shows account of \$400,000 and first mortgage bonds, \$100,000. A credit to profits and loss of \$1,038.41. The profit for year of \$4,144.02. Apparently a total loss of \$1,038.41.

ing of \$400,000.



5784

Eversfield

MERCHANTS COTTON CO.

Balance Statement

31st December, 1902.

A S S E T SProperty, Land, Buildings  
and Machinery

2,047,989.38

Accounts receivable, cash value, less 193,815.55

Contingent a/c for bad and doubtful  
debts \$10,000

Cash

5,060.50

Bills receivable

17,569.73

Insurance, unexpired

23,057.69

Interest, "

2,220.30

Stocks on hand:

Raw cotton 377,252.06

Manufactured goods,

fuel, supplies &amp; Cotton

in process

570,867.33

Total Stocks

948,099.39

43,237,812.54LIABILITIES

Loans on Bonds

279,000.00

Loans on Cotton

366,175.00

Bills payable

444,200.00

Accounts payable

29,604.00

Total liabilities to the Public, 1,118,979.05

Capital account

1,500,000.

Reserve account

400,000.

First mortgage bonds

162,000.

2,062,000.00

Profit and Loss Account

Balance of credit 31st Dec

1901

2,698.81

Nett profit per year

54,134.68

Surplus this date

56,833.49

3,237,812.54

Statement of Assets and Liabilities

As at the end of the year 1911

Assets  
Cash and bank balances \$1,000.00

Accounts receivable \$2,000.00  
Inventory \$1,000.00  
Total Assets \$4,000.00

Liabilities

Accounts payable \$1,000.00  
Notes payable \$1,000.00  
Total Liabilities \$2,000.00

Equity

Capital \$2,000.00  
Reserves \$2,000.00  
Total Equity \$4,000.00

Total \$4,000.00

Assets \$4,000.00  
Liabilities and Equity \$4,000.00

Statement of Income

Revenue \$10,000.00  
Expenses \$8,000.00  
Net Income \$2,000.00

Assets \$4,000.00  
Liabilities and Equity \$4,000.00

Assets \$4,000.00  
Liabilities and Equity \$4,000.00

Assets \$4,000.00  
Liabilities and Equity \$4,000.00

Assets \$4,000.00  
Liabilities and Equity \$4,000.00



Bonds: Total issue: Mills 1 & 2 400,000  
" " " " 3 250,000

Sold 162,000  
Collateral 279,000  
In treasury 209,000

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650,000.00 650,000

Indirect liabilities \$155,340.85

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"In connection with this being the twentieth annual report of the company's affairs, your directors thought it advisable to have an expert appraisal made of the company's property and engaged the services of the American Appraisal Company who had previously valued some of the largest and most important plants in Canada and the United States. The result of the statement they furnished indicates that they value the new mill property practically at the figures which appear on our books. Taking their valuation of the whole property, excepting the land, and after deducting their allowance for depreciation, we find their estimate to be \$1,869,892, or \$156,824 less than the value shown on the company's books. Against this difference is the increased value of the land as just appraised by Mr. Craddock Simpson at \$105,161. There is also in this connection to the considered the large "Rent Account" of \$400,000 which has been created to provide against such

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"in connection with this being the

company's annual report to the shareholders.

your directors thought it advisable to have an

expert report made of the company's property

and to have the services of the auditor

of the company who had previously valued some

of the largest and most important property in

Canada and the United States. The result of the

valuation was that the property was worth

more than the new will properly be satisfied by the

amount which appears in our books. To this end

valuation of the whole property, except for the

land, and other buildings, and other property of the

company, was made by the auditor.

of \$1,200,000, or \$1,200,000 less than the value shown

on the company's books. This difference is

is the difference between the value of the land and the

value of the buildings and other property of the

company. There is also in this valuation the value of the non-

valued property of the company of \$400,000.

which has been added to provide for the

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depreciation as is indicated by the recent appraisal-  
ment. At the same time the Appraisers estimate  
the insurable value of our property at \$1,941,000  
as against an insurance now in force of \$1,940,000.

Your Directors, therefore, recommend that  
from the amount at the credit of "Profit & Loss  
Account", the sum of \$50,000. be transferred  
to the credit of "Rest Account", carrying forward  
to the credit of "Profit & Loss Account" a surplus  
of \$6,833.49; and to meet the depreciation of  
\$156,824 your Directors further recommend that \$150,  
000 be transferred from the "Rest Account" to  
reduce the value of the "Property Account", which they  
after careful examination deem sufficient to  
meet the estimates of the appraisers, thus leaving  
\$300,000 at the credit of "Rest Account"; and  
if we were by law permitted to write up the en-  
hanced value of the land, the amount to the credit  
of "Rest Account" would be \$405,000.

We are pleased to state that the increased  
sales during the past year over the year 1901  
amount to \$255,000, equal to 19%, and more closely  
approaching the year's product.

The present Company was established under a  
protective tariff of 25%, which is generally ad-  
mitted to be a very moderate rate of protection.  
Under the preferential clause since July 1900 and

depreciation as is indicated by the recent appraisal  
At the same time the appraisers estimate  
the insurable value of our property at \$1,241,000  
as against an insurance now in force of \$1,241,000.  
Your directors, therefore, recommend that  
from the amount at the credit of "Profit & Loss  
account", the sum of \$50,000. be transferred  
to the credit of "Rent account", carrying forward  
to the credit of "Profit & Loss account" a surplus  
of \$4,400.40; and to meet the depreciation at  
\$125,250 your directors further recommend that the  
\$50 be transferred from the "Rent account" to  
reduce the value of the "Property account", which  
they after careful examination deem sufficient to  
meet the estimates of the appraisers, thus leaving  
\$500,000 at the credit of "Rent account"; and  
it is voted by law passed and to write up the en-  
hanced value of the land, the amount to the credit  
of "Profit & Loss account" shall be \$125,250.  
We are pleased to state that the increased  
sales during the past year over the year 1921  
amount to \$125,000, equal to 12%, and more closely  
approximating the year's growth.  
The income account and profit and loss account  
show a profit of \$125,000, which is generally ac-  
cording to the estimate made at the beginning of the year.  
The following statement shows the result of the year's work

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5787

Eversfield

up to the present time we have had a protection of only 16 2/3%. At no time has it been possible to secure the full advantage of the rate of duty, which is quite inadequate to enable us to compete with the English manufacturers of Cotton fabrics, they having much cheaper labor and supplies, with less outlay for machinery.

It is to be regretted that a property so well equipped as ours, should in connection with the increased cost of labor and fuel, only earn a profit of 3 1/3% on the turnover. The present capital of the Company, say One and a half million dollars, has all been paid up in cash, and it therefore appears to your Directors that if any return on the capital is to be looked for in the future, every possible effort should be made to secure an adjustment of the present tariff.

We employ about 1750 operatives and make a yearly distribution of wages of \$450,000; pay for Canadian Coal about \$75,000, with a further outlay of \$175,000 for supplies, repairs and proper maintenance of our plant. A further sum of over \$50,000 is paid for inward and outward freights, and as this large outlay amounting to \$750,000 is certainly a public benefit, it is the opinion of your Directors that the shareholders of this Company are entitled to a moderate

Statement

1937

of the 1937 Statement of Affairs of the Company is as follows:  
At no time has it been possible to secure the full advantage of the rate of duty, which is quite inadequate to enable us to compete with the foreign market.  
Cotton Textiles, they having much cheaper labor and no sales, with less costly for machinery.  
It is to be regretted that a property so well equipped as ours, should in connection with the increased cost of labor and fuel, only earn a profit of 5 1/2% on the turnover. The present capital of the Company, say one and a half million dollars, has all been paid up in cash, and its turnover appears to your Directors that it may return on the capital is to be looked for in the future, every possible effort should be made to secure an improvement of the present profit.  
The Company about 1750 operatives and make a yearly distribution of wages of \$450,000; pay for Canadian Coal about \$25,000, also a further sum of over \$100,000 is paid for interest and sundry payments, and as this large outlay amounts to \$500,000 it certainly a public benefit, it is the

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return on the capital invested."

MR. BALLANTYNE: May I have the date of that?

MR. MORRIS: 10th of February, 1903,

Pages 26 and 27, a meeting of directors, 21st  
April, 1903.

Present: Messrs. Crathern

Blighorn

Hodgson

Mackay

Cheney

"Mr. Hodgson stated that, in his opinion,  
the present unprofitable state of the business  
was due to lack of efficiency on the part of  
the Manager, and suggested that there be an  
expert inquiry into the working of the Mill.  
After some discussion, the matter was referred  
to the consideration of the Executive Committee."

A meeting of directors of the 18th May, 1903:

"The President stated that he understood  
the Colonial Bleaching & Printing Co. were  
open to negotiate with a view to the affilia-  
tion of their Company withours and after some  
discussion, the President, Mr. Hodgson and  
Mr. Cheney were appointed a committee to  
interview representatives of the latter company,  
and ascertain their views on the subject."  
The President was Mr. Crathern.





Page 31, directors meeting, 21st July, 1903:

"The matter of affiliation with the Colonial Bleaching and Printing Co., was then taken up, and the President stated that the committee appointed by the Board had asked Mr. Creak to prepare a statement of the present position of both properties, and at the President's suggestion, Mr. Creak then read same to the Board, showing Assets and Liabilities and Earnings of both companies, as shown in their last yearly reports, and intimated that he believed the Colonial Bleaching & Printing Co. were prepared to agree to a purchase of their property by this company, by means of Cumulative Preferred Stock.

After giving the matter full consideration, the Board decided that the present time was not opportune to assume the increased responsibilities which would be involved in the affiliation of the two companies."

Then page 41. It is a meeting of the Board, September 17th, 1903:

"The president then stated that, at the invitation of Mr. Clouston, of the Bank of Montreal, he, together with Senator MacKay and Mr. Hodgson, had met, in an informal way, representatives from the Dominion Cotton Mills

Page 31, directors meeting, 21st July, 1908:

"The matter of affiliation with the

Colonial Banking and Finance Co., was then

taken up, and the resolution stated that the

committee appointed by the board had asked

Mr. Green to prepare a statement of the present

position of both properties, and at the same

time's suggestion, Mr. Green then read some to

the board, showing assets and liabilities and

a number of other matters, as shown in their

last yearly reports, and indicated that he

believed the Colonial Banking & Finance Co.

were prepared to agree to a purchase of their

property by this company, by means of

unanimous approval of the board.

After giving the matter full consideration,

the board decided that the present time was not

opportune to assume the financial responsi-

bilities which would be involved in the affilia-

tion of the two companies."

Then page 41. It is a meeting of the board.

September 14th, 1908:

"The president then stated that, at the

invitation of Mr. Johnston, of the bank of

Montreal, he, together with several members

and Mr. Jackson, had met, in an informal way,

representatives from the Dominion Cotton Mills

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Company and the Colonial Bleaching & Printing Company to see if some plan could not be agreed upon for the consolidation of the three companies and that the formation of a new company to take over the various companies had been suggested. After discussion, the Board formally appointed the president and Senator Mackay as a committee to confer further with representatives from the other companies and report back to the Board."

Then at page 44, meeting of directors, 8th of October, 1903:

"The President read a draft of a plan proposed by Mr. Morrice for the formation of a company to take over the business of the Dominion Cotton Company, the Colonial Bleaching & Printing Company and ourselves, as outlined in the minutes of the previous meeting, but stated that the committee appointed by the various companies had not yet discussed same." Then page 45, meeting of Directors, 21st

October, 1903:

"The amalgamation of the Dominion Cotton Mills Company, the Colonial Bleaching & Printing Company and this company was again touched upon, and the President stated that the Committee had asked the secretaries of the

Company and the National Electric & Lighting  
Company to see if some plan could not be agreed  
upon for the consolidation of the three com-  
panies and that the formation of a new company  
to take over the various companies had been  
presented. After discussion, the board formally  
appointed the president and Senator as  
a committee to confer further with represen-  
tatives from the other companies and report  
back to the board.

Then at page 44, meeting of directors, 8th of  
October, 1903.

"The president read a draft of a plan  
proposed by Mr. McRae for the formation of  
a company to take over the business of the  
various companies, the plan being  
that a holding company and ourselves, as out-  
lined in the minutes of the previous meeting,  
but stated that the committee appointed by the  
various companies had not yet given any answer."  
Then at page 45, meeting of directors, 15th  
October, 1903.

"The committee on the proposed holding  
company, the National Electric & Light-  
ing Company, has given the following answer:

and the president stated that the  
Committee had asked the secretaries of the

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various companies to prepare a statement,  
to be submitted to Mr. George Creak for report  
of the saving estimated to be effected by  
such amalgamation."

Then page 47, meeting of Directors, 19th  
November, 1903:

"The President stated, that carrying out  
the suggestion of Mr. Hodgson, as thrown out  
at a previous meeting, the Executive were  
making inquiries with a view to finding a man  
capable of reporting on the lay out and  
efficiency of the machinery and general work-  
ing of the Mill.

The matter of the amalgamation of the  
three companies was then brought up, and the  
President read a memorandum drawn up by Mr.  
Morrice, setting forth in outline, the terms  
of the proposed amalgamation. He also read  
a report from Mr. Creak giving a rough spindle  
valuation of the two companies, and also a  
letter from Mr. Creak giving the result of an  
interview he had had with Mr. John Turnbull  
on the same subject.

Further discussion in the matter was  
eventually adjourned.

Page 54, Meeting of Directors, 29th January,  
1904.

2701

10/1/54

Various comments to the effect that the  
to be submitted to Mr. [redacted] for report  
of the review committee to be effected by  
such [redacted].

Then page 47, meeting of Directors, 1954

"The President stated, that carrying out  
the suggestion of Mr. [redacted], as far as out  
at a previous meeting, the Executive were  
making inquiries with a view to finding a man  
capable of reporting on the day end and  
efficiency of the machinery and general work-  
ing of the mill.

The matter of the amalgamation of the  
three companies was taken up, and the  
President read a memorandum drawn up by Mr.  
[redacted], setting forth in outline, the terms  
of the proposed amalgamation. He also read  
a report from Mr. [redacted] giving a more complete  
valuation of the two companies, and also a  
letter from Mr. [redacted] giving the result of an  
interview he had had with Mr. [redacted].  
on the same subject.

Further discussion in the afternoon

10/1/54

Page 54, Meeting of Directors, 10/1/54

10/1/54



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"The financial statement for the year ending 31st December, 1903, together with the auditor's report, was submitted, showing net trading profit for the year to have been \$97,392.62; also profits on raw cotton sold of \$11,830.65, leaving a surplus at the credit of profit and loss account on above date of \$116,256.76."

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Then on page 55:

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"Some discussion followed as to the advisability of setting aside from the surplus shown above, a sum of money to provide for a portion of these changes, but the matter, as also the advisability of declaring a dividend, was finally deferred to a subsequent meeting."

MERCHANTS' COTTON CO.

Balance statement 31 December, 1903.

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A S S E T S

|                                          |                |                |
|------------------------------------------|----------------|----------------|
| Property: lands, buildings and machinery | \$2,042,408.91 |                |
| Less property depreciation account       | 150,000.00     | \$1,892,408.91 |
| Accounts receivable, cash value          | 248,079.50     |                |
| Cash                                     | 5,165.33       |                |
| Bills receivable                         | 15,732.98      |                |
| Insurance, unexpired                     | 25,395.60      |                |
| Stocks on Hand:                          |                |                |
| Raw cotton                               | \$193,627.90   |                |
| Manufactured goods, fuel,                |                |                |
| Supplies & Cotton in process             | 636,174.29     |                |
| Total Stocks -                           | 829,802.19     |                |
| Total Active Assets                      |                | \$1,124,175.60 |
|                                          |                | \$3,016,584.51 |

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5793  
Everett 14

"The financial statement for the year ending 31st December, 1933, together with the auditor's report, was submitted, showing net trading profit for the year to have been \$7,535.00; also profits on raw cotton sold of \$1,400.00, less a surplus at the credit of \$1,400.00, for a net profit of \$7,535.00."

1933, 1934

then on page 10:

"Some discussion followed as to the advisability of setting aside from the surplus a sum of money to provide for a portion of these charges, but the matter, as also the advisability of declaring a dividend, was finally referred to a subsequent meeting."

Financial Statement

Balance statement 31 December, 1933.

|                      |             |
|----------------------|-------------|
| Assets               |             |
| Raw cotton           | \$1,400.00  |
| Surplus              | 1,400.00    |
| Profit on raw cotton | 7,535.00    |
| Total                | \$10,335.00 |
| Liabilities          |             |
| Capital              | \$10,335.00 |
| Total                | \$10,335.00 |



LIABILITIES

|                          |            |            |
|--------------------------|------------|------------|
| Loans, with bonds as     |            |            |
| Collateral               | 488,000.00 |            |
| Other loans              | 193,650.00 |            |
| Cotton loans             | 194,733.89 | 876,403.89 |
| Accounts payable         |            | 28,007.73  |
| Total Active Liabilities |            | 904,411.67 |

|                                                                                                                                         |              |              |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Capital a/c                                                                                                                             | 1,500,000.00 |              |
| Reserve a/c                                                                                                                             | 300,000.00   |              |
| First Mortgage Bonds                                                                                                                    | 162,000.00   |              |
| Contingent a/c: reserve<br>for bad and doubtful<br>debts                                                                                | 10,000.00    |              |
| Mill Estate: Reserve a/c<br>being profit on land sold,<br>to be expended in improve-<br>ments on property covered<br>by original bonds. | 23,916.08    | 1,995,916.08 |

Profit and Loss account:

|                                     |           |            |
|-------------------------------------|-----------|------------|
| Balance at credit 31<br>Dec. 1902   | 56,833.49 |            |
| Less, transferred to<br>Reserve a/c | 50,000.00 |            |
|                                     | 6,833.49  |            |
| Net trading profits<br>for year     | 97,592.62 |            |
| Profits on cotton<br>sold           | 11,830.65 |            |
| Surplus this date                   |           | 116,256.76 |

\$3,016,584.51

|                                |           |           |
|--------------------------------|-----------|-----------|
| Bonds: Total issue Mills 1 & 2 | \$400,000 |           |
| " " Mill #3                    | 250,000   |           |
| Sold \$162,000                 |           |           |
| Collateral \$488,000           |           |           |
|                                | \$650,000 | \$650,000 |

Indirect Liabilities: \$54,368.95

Then page 60, the annual meeting, 9th February,  
1904.

"With a view of lessening the cost of  
production in reducing the number of lines made  
by each mill, and effecting other economies,  
through a consolidation of interests, negotia-  
tions were entered into during the autumn by





5

this company with the Dominion Cotton Mills Co. and the Colonial Bleaching & Printing Co., to see if a reasonable basis of amalgamation could not be arrived at, but after repeated conferences your Directors found it impossible to agree on terms which they could recommend for your acceptance."

10

Then at page 75, meeting of Board, 21st July, 1904:

15

"The President reported that efforts were still being made to get the duties on cottons increased, and read a copy of a letter from the Hon.W. Laurier to the Hon.J. A. Ward stating the intention of the Government to appoint a commission to look into this and other changes in the tariff. Mr. Ayer also stated that Hon.Mr. Irefontaine was to bring the subject before the Council."

20

25

30

The President referred to the matter of the purchase of the plant of the Colonial Bleaching & Printing Co. and stated that he had had a call from Mr. Pease of the Royal Bank, who intimated that he thought the matter could be arranged by our giving them cash at par for their stock, and equal amount in shares of this company's common stock, and assuming their bonded indebtedness. That his Bank would be open to make the necessary financial arrangements."

this company with the London Cotton Mills  
Co. and the Colonial Manufacturing Co.,  
to see if a reasonable basis of compensation  
could not be arrived at, but after repeated  
conferences your witnesses found it impossible to  
agree on terms which they could recommend for  
your acceptance."

"The witnesses reported that efforts were  
still being made to get the parties on business  
increased, and read a copy of a letter from the  
Hon. S. Dwyer to the Hon. J. A. Dwyer stating the  
intention of the Government to appoint a com-  
missioner to look into the matter and other matters in  
the matter. Mr. Dwyer also stated that the  
intention was to bring the subject before the

The witness referred to the matter of the  
purchase of the plant of the Colonial Manufacturing  
Co. and stated that he had had a  
call from Mr. Dwyer of the Royal Bank, who  
intimated that he thought the matter would be  
settled by one of the parties to the  
their stock, and equal amount in shares of  
the company's common stock, and allowing them  
to be paid off."



Then page 81, Meeting of the Board, 21st  
November, 1904:

"The President stated that he had been  
approached by Mr. David Yuile with a scheme  
for the purchase of the properties of this  
company and the Dominion and Montmorency  
Cotton Company and the Colonial Bleaching &  
Printing Co., and that he had referred Mr.  
Yuile to Mr. Creak, as representing this  
company in the meantime. He then read a  
letter from Mr. Creak and also a draft form of  
sale prepared by Mr. Yuile, the chief feature  
in which was the outside limit of £1,500,000.  
fixed as the price for this property, after  
valuation."

Then page 86. This is a Meeting of the Board,  
16th December, 1904:

"Mr. Creak was present at the outset of the  
meeting and read a letter from Mr. David Yuile,  
authorizing him to offer on behalf of a syndi-  
cate of which Mr. Yuile is chairman, to pur-  
chase the entire capital stock of this company,  
at 85% of its entire value, payable as to  
two thirds of the par value in £ Bonds on the  
property of the company, and the balance  
18-1/3% in 7% Preference stock, in a new  
company to be formed, all as per details set fort

then gave it, together with the other, that

November, 1904:

President stated that he had been

informed by Mr. Yule that he was

for the purpose of the properties of this

company and the location and ownership

of the company and the location of the

company, and that he had referred to

Yule to a . . . as representing this

company in the . . . as such a

letter from Mr. Yule and also a draft form of

also prepared by Mr. Yule, the chief feature

in which was the purchase price of \$1,500,000.

fixed as the price for this property, after

valuation."

then gave it. This is a history of the

John Doe, 1904:

"Mr. Yule was present at the meeting of the

meeting and read a letter from Mr. Yule and

authorizing him to offer on behalf of a

state of which Mr. Yule is chairman, to

at \$1 of its entire value, payable in

the terms of the . . . as such a

1904 in the . . . as such a

company to a . . . as per details set



in a draft of a proposed letter to be sent  
from The Royal Trust Co. to the shareholders  
outlining the scheme as per copy attached.

(See Exhibit No. 332)

5 MR. BALLANTYNE: Is that the only plan contained  
in the Royal Trust Company?

MR. McRUER: I think so.

10 "The matter was fully discussed from all  
points, and finally the Board decided to  
authorize the Secretary to notify Mr. Creak  
of the unanimous acceptance by the directors  
of the aforesaid offer, as regards their own  
stock, and their readiness to advise its  
15 acceptance by the shareholders on similar  
terms."

Then at page 99, the annual meeting on the 14th  
of February, 1905:

20 "After some remarks from the Chairman  
regarding the circumstances in connection with  
the purchase of the companies capital stock  
by the Dominion Textile Company, Messrs. Fred  
Nelson and John Beattie were appointed  
25 scrutineers and on the motion of Mr. David  
Yuille the following were nominated as directors  
for the ensuing year: Hon. Robert MacKay,  
Hon. L. J. Forget. Messrs. David Yuille, D.  
Williamson, C. B. Gordon, J. F. Black and  
30 H. S. Holt."

in a grant of a copy of letter to be sent  
from the copy of the letter to the  
outlining the scheme as per copy attached.

(See Exhibit No. 22)

in the copy of letter

to the Board of Directors

"The Board of Directors

of the Board of Directors

of the Board of Directors

of the Board of Directors

of the Board of Directors

of the Board of Directors

of the Board of Directors

At page 99, the Board of Directors

of the Board of Directors

regarding the circumstances in connection with

the purchase of the common stock

of the Board of Directors

of the Board of Directors

for the year 1891: Hon. Robert

of the Board of Directors

of the Board of Directors



That was a change in the Board of Directors at that time. Previous meeting at page 99, Mr. Crathern, Mr. Mackay, Mr. Leattie, Mr. Meghorne and Mr. Hodgson were directors. Mr. Angus had apparently been a director too and Mr. Ayer.

Then at page 102, meeting of directors, March 13th, 1905. This we can pass over with the remarks that the Dominion Textile was appointed selling agent for the Company. It was just carrying out the scheme, the same as with the other companies.

Then page 116 - a draft lease was ordered to be prepared and then a lease of premises as approved of in the same way as Dominion Cottons.

MR. BALLANTYNE: What date?

MR. McRUER: This is 6th September, 1905. The lease was fixed at a rate of 4% on the capital stock of the company.

Page 123, a meeting of shareholders called to ratify this action in leasing the property.

Then November 10th, 1905:

"HON. MR. FONG T: I move that the said draft form of lease and the terms and conditions thereof be approved of and that the vice president and secretary of this Company be and they are hereby authorized to sign and execute the same for and on behalf of this Company."

THE COMMISSIONER: Is this Mr. Forget director of all these companies?





MR. McRUER: He was the chairman at this meeting.  
He was the mover.

THE COMMISSIONER: Anyhow he was a member of  
the Board of all these companies.

MR. McRUER: Yes, after Dominion Textile had  
secured control of the stock they elected their own  
directors to the Board.

THE COMMISSIONER: Yes, this is down in November  
of 1905. You will give me a list of the directors of  
earlier days.

MR. McRUER: Yes, I will as far as I can get them.

MR. WILLIAMSON: I second the motion.

MR. LECLAIR: I object to this altogether.  
It is practically confiscating the property of  
the other shareholders. What will we have for  
our stock if this lease goes through? Nothing.

HON. MR. MAC KAY: I will say in answer to  
Mr. LeClair, of course you will have the  
same privilege and profit as the other gentle-  
men who have stock. You will get the same  
as those who have joined in the syndicate.

MR. LECLAIR: How is that? I cannot see  
it.

HON. MR. MAC KAY: Whatever the company  
earns, you get the proportionate benefit. The  
Secretary will give you an idea of what you  
would get if the Merchants Company had continued  
their business on the line they were pursuing.

420 100 2.5 2.47 1.2

the board of all these companies.

22



5799

Eversfield

I don't think that for five years you could have received anything."

Then at page 125:

5 MR. BRUNET: Who are the present directors, Mr. Chairman?

10 MR. HANNA: The present directors are David Yuile, Honourable L. J. Forget, Honourable Robert MacKay, John B. Black, Charles Gordon, H. W. Holt and D. Williamson."

Then at page 128:

15 "MR. LECLAIR: If that covers 4% to the Textile Company, they would be getting more, because they only paid eighty five cents on the dollar. The Textile Company by that will have about five per cent, and we will have about 4%.

HON. MR. FORGET: If you paid a hundred and fifty you wont get four per cent.

20 HON. MR. MAC KAY: I bought at a hundred and fifty for Merchants Cotton Company stock, and I accepted eighty five, because I thought it was in the interest of all the shareholders. I was like Mr. Brunet and Mr. Leclair against  
25 merging, but the directors found that they might go on without receiving any dividend at all, and the matter of cutting prices would continue, and three times the expenses - well, twice the expense at any rate would have continued, and  
30 we would have been cutting each others throats

Exhibit 10

2729

I don't think that you have

Mr. [Name] who are the present directors.

Mr. [Name] the present directors are [Name]

Mr. [Name] Honorable [Name]

Mr. [Name] It has been

Mr. [Name] It has been

Mr. [Name] It has been

Mr. [Name] It has been

Mr. [Name] It has been

Mr. [Name] It has been

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Mr. [Name] It has been

Mr. [Name] It has been

Mr. [Name] It has been



all the time, so I thought it in the interest  
of the shareholders that it was best to take  
less and have some reasonable idea that we would  
get something on our investment. As it was then  
there was no likelihood, for some years at  
all events, of our getting anything. All who  
were interested in the Merchants Cotton Company  
and who bought at a high price have no doubt  
suffered, and I may say that individually I  
was the largest shareholder in the Company, and  
I very unwillingly accepted eighty five cents  
on the dollar for my stock, and that I have  
already said, some of it cost me a hundred and  
fifty. The matter was certainly carefully  
thought out by the directors of the Merchants  
Company, and they came to the conclusion that it  
was the best thing to do under the circumstances.  
I think so myself, and I think that probably  
later on, the gentlemen who had not thought so  
favourably of it, if they knew the difficulties  
we were confronted with, when the company was in  
operation, would probably appreciate that we  
were making a sacrifice at the time, but that in  
the end we would benefit by what we did then.  
Of course you understand that the majority of  
the shareholders are in favour of granting this  
lease.

MR. ENCLAIR: Oh, there is no doubt of that.





Then page 132.

5 "MR. BRUNET: I could never understand the  
deal, but the explanation which has been given  
this morning by Senator Mackay has put a new  
light on the matter. The only thing we got was  
a circular from the Board of Directors stating  
that they were selling their stock, and they  
advised the shareholders to sell. We had no  
10 other information given to us at all. There was  
no meeting at which explanations were given from  
the President or officers. Now you come out,  
Mr. President, with a straight, square explana-  
15 tion, and I would like to put one or two ques-  
tions in addition, if you will kindly allow me.

Have you got any advantage over and above  
the ordinary shareholders in selling your shares?

20 HON MR. MACKAY: Not the slightest, Mr.  
Brunet, I have just the same as any other  
shareholder, exactly the same thing, I have  
asked for any advantage over Mr. Leclair, or  
over Mr. Brunet, or any other shareholder.

25 MR. BRUNET: That is satisfactory. Now,  
I would like to know whether the Textile Company  
will take my shares upon the same condition as  
I might have surrendered them at any time?

30 HON MR. MACKAY: I could not just answer  
that at the moment, as to how that would be  
at this late stage. I could not say personally.

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MR. BRUNET: I judged from what you said a moment ago that they would be.

MR. HOLT: I think that when the Board of the Textile Company received applications, all were accepted.

MR. BRUNET: I have not been refused.

MR. HOLT: You never made application Mr. Brunet. I was surprised when Mr. Leclair said he was refused.

HON. MR. FORGET: There might be a legal point in Mr. Leclair's case. If Mr. Leclair had mentioned the matter to me I could have fixed it for him.

MR. HOLT: There has not been a single instance where a shareholder was refused to my knowledge. Some people were in Australia, and some in England, who did not have time and, like Mr. Leclair, they were a little late but they were all deal with satisfactorily, and I do not understand the refusal in Mr. Leclair's case."

MR. MORUER: Then there are other minutes in the book that go on in the same way. The property is leased and the rent paid and the only source of income the company has is from the rent.

Q. Can you tell me Mr. Eversfield, when the Merchants' Company ultimately became - the property of the Merchants' Company ultimately passed over to the Dominion Textile Company? A. No sir, I don't remember that date.





5803

Eversfield

THE COMMISSIONER: This Merchants' Company has disappeared.

5 THE WITNESS: The same thing happened, we purchased all shares and--- I don't remember the year. I think perhaps that book continues on to another one.

10 MR. McRUER: This book continues up to May 28th, 1919, but the same process was gone through at any rate.

THE COMMISSIONER: That book is the record book of the Merchants' Company up to 1919?

MR. McRUER: Yes, my Lord.

15 THE COMMISSIONER: Q. There is no book after that? A. Yes, there is a book after that.

MR. McRUER: Probably you could find it between now and tomorrow morning, just when it did merge, when the property finally passed over to the Dominion Textile by the acquisition of all the shares.

20 THE WITNESS: Yes sir.

--The Commission adjourned at 5 P.M. Thursday, 4th June, 1936, to resume on Friday, 5th June, 1936, at 10 A.M.





5804

ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

A.S. Whiteley, Secretary,

FORTY - THIRD DAY

(June 5th, 1936)

Robert Brydie,  
Official Reporter.

THE UNIVERSITY OF CHICAGO

THE UNIVERSITY OF CHICAGO

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ROYAL COMMISSION ON THE TEXTILE INDUSTRY

HON. MR. JUSTICE W.F.A. TURGEON,

Commissioner,

--

A.S. Whiteley, Secretary,

--

A P P E A R A N C E S:

J.C. McRuer, K.C. and )

E. Beauregard, K.C. )

Commission Counsel.

J.P. Lanctot, K.C.

For Special Committee of  
Primary Textile Industries.

C.G. Heward, K.C. )

Aime Geoffrion, K.C. )

and )

C. T. Ballantyne, )

For Dominion Textile Co.  
and Montreal Cottons,  
Company, Limited.

S.G. Dixon, K.C.

For Courtaulds Limited.

L.A. Forsyth, K.C.

For Canadian Celanese  
Ltd. and Canadian Silk Pro-  
ducts Limited.

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UNITED STATES OF AMERICA

... ..

Commissioner,

... ..

UNITED STATES OF AMERICA

... ..  
... ..

Commissioner General.

For Special Committee on  
Primary Textile Industry

... ..

For Textile Industry  
and Textile Workers,  
Company, Limited.

... ..  
... ..  
... ..

For Textile Industry

... ..

For Textile Industry  
and Textile Workers,  
Company, Limited.

... ..

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Montreal, P.que.  
June 5th, 1936

-- On resuming at 10 A. M.

---

5

WALTER EVERSFIELD,

EXAMINATION BY MR. McRUER (Resumed):

THE COMMISSIONER: Are you ready, Mr. Eversfield?

MR. McRUER: Yes, my lord.

10

Q. Mr. Eversfield, the Minute book that I show you is a Minute Book which purports to record the Minutes of the Montmorency Cotton Mills, Limited, commencing on the 19th December, 1900; you produce this book from the records of the Dominion Textile Co., do you? A. Yes, sir.

15

Q. And you have been unable to locate any earlier minute book? A. I do not believe we have any earlier minute book, Mr. McRuer.

20

THE COMMISSIONER: That is the minute book of what company?

25

MR. McRUER: This is the Montmorency Cotton Mills, my lord, and on page 5 there is a note pinned in which indicates the capitalization of the company at that time. It reads as follows:

30

"The unanimous vote of 6308 shares representing 83 per cent. of the paid up stock of \$750,000, By-law No. 2829 was adopted. We hereby certify the above to be correct.

19 Dec. 1900."

(Signed) T.A. Peddington."

— to be made by the

EXHIBIT A

Examination of the book of the (Company):

Q. Now, I want to ask you, Mr. [Name],

A. Yes, my lord.

Q. Mr. [Name], the book which I am

you is a minute book which contains the

minutes of the [Company] [Name], limited,

concerning on the 1st December, 1934, you

this book from the records of the [Company] [Name] Co.

do you? A. Yes, sir.

Q. And you have been unable to locate any earlier

minute books? A. I do not believe we have any

earlier minute book, Mr. [Name].

Q. Now, I want to ask you, Mr. [Name], what is the minute book of the

A. Yes, sir. This is the [Company] [Name] Co.

my hand, and on page 3 there is a note placed in which

indicates the capitalization of the company at that

time. It reads as follows:

"The unanimous vote of 5000 shares representing

50 per cent. of the paid up stock of £100,000,

by-law No. 2000 was adopted. The money actually

was paid to the [Company] [Name] Co.

on the 1st [Month] 1934.

(Signed) [Name] [Name]



Then coming to page 31, Directors Meeting, May 13th 1901:

"This meeting having been called for the purpose of discussing the advisability of increasing the capital stock, Mr. Whitehead explained the financial position of the Company and after discussion it was decided to issue an additional two thousand five hundred shares (2500) of One hundred (\$100.00) Dollars each, at par, to present shareholders in the ratio of one share of new to three shares of present holdings. The first call of 10% was made payable June 1st, 1901, and it was decided that calls should not exceed 10% in any one month. Interest at the rate of six per cent per annum to be allowed on all pre-payments. The following letter to shareholders was adopted and the Secretary requested to issue same immediately:-

The Directors beg to notify the shareholders that all buildings, and extensions to plant and machinery are now completed.

The Company have entered into a most advantageous contract with the Quebec Railway Light and Power Company whereby they leased to this Company a further lot of land, high water, fire service, the use of sidings and additional horse power, to be supplied





electrically for a term of 99 years, renewable,  
said lease to run concurrently with the present  
lease for water power.

5 This Company has withdrawn the action which  
it had taken out against the Quebec Railway Light  
& Power Company, and all matters in dispute  
between the Companies have been amicably settled.

10 The Company is now doing a largely increased  
business in yarns, etc. and as it is impossible  
to do this on the basis of their export  
business, namely, cash against documents, they have  
been compelled to create large permanent loans.  
15 This the Directors are opposed to and consider it  
advisable in the interests of the Company to issue  
\$250,000.00 of new stock, bringing the capital  
stock up to the sum of \$1,000,000.00. This  
will provide sufficient working capital to  
20 carry on the increased business without being  
borrowers.

25 It was therefore resolved to issue 2500  
shares of \$100.00 each, the present shareholders  
to have the option of taking this at par,  
in the ratio of one share of the new to three  
shares of their present holdings and the  
secretary was requested to notify them that  
subscriptions would be received for same up to  
30 June 15th, 1901, after which date all stock  
not then subscribed for would be dealt with by

electrically for a term of 25 years, reasonably  
said lease to run concurrently with the term  
lease for water power.

This company was situated in the section of  
it had taken out of the power company, and all matters in dispute  
between the companies have been amicably settled.  
The company is now doing a largely increasing

business in water, etc. and as it is important  
to do this on the basis of their expert  
business, namely, each against documents, has  
been compelled to create large permanent loan  
this is the first time they have been compelled to  
advocate in the interests of the company to  
issue \$250,000.00 of new stock, bringing the capital  
stock up to the sum of \$1,000,000.00. This  
will provide sufficient working capital to  
carry on the increased business without being  
inconvenienced.

It was therefore resolved to issue shares  
of \$100.00 each, the present amount  
to have the option of taking this at \$1.00  
in the ratio of one share of the new to three  
shares of their present holdings and the  
necessity was requested to notify them of  
subscriptions would be received for the same  
this 15th, 1901, after which time all shares  
not then subscribed for would be held by the

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Directors as deemed advisable in the best interests of the Company.

The first call of 10% was made payable July 1st, 1901 and it was further decided that calls should not exceed 10% in any one month. Interest at the rate of six per cent. per annum to be allowed on all prepayments." The

Mr. Whitehead referred to as Chairman is C.R. Whitehead, and Mr. F.G. Daniels, is Secretary of the meeting.

Then page 38, a meeting of directors September 21st, 1901:

Mr. Whitehead then raised the question of the hours of labour. He explained the arrangements with regard to the hours during which we could use the Electrical power contracted for, and pointed out the inadvisability of operating part of the mills under one schedule and the remainder under another. He advised the adoption of a 55 hour week, as follows: During the winter months the hours would be from 6 A.M. to 11 A.M., and from 12 noon to 4 P.M., during six days per week with one extra hour, from 4 P.M. to 5 P.M. on Friday for cleaning. During summer months the hours would be from 7 A.M. to 12 Noon and from 1 P.M. to 6 during 5 days per week, and Saturdays from 7 A.M. to 12 Noon. From experience Mr. Whitehead stated that he had not found the production had suffered from the

Diffusions are recorded available in the past

interests of the Company.

The following are listed in alphabetical order:



reduction in the hours as the help were able to do more work under the above schedule than under the 60 hour schedule.

After discussion the Board decided to accept Mr. Whitehead's suggestion." Then page 42, the 12th Annual Meeting, October 28th, 1901:

"At this the twelfth Annual General Meeting of this Company it affords your Directors much pleasure to meet you and to place before you the Financial Statement shewing the standing of the Company on July 31st, 1901: The last time we had the pleasure of meeting you was at a special meeting called to sanction the issue of \$500,000. 6% 20 year First Mortgage Bonds. This measure at the time obtained your approval and the issue justified your confidence. The bonds were most favourably received and largely over-subscribed.

It is not usual when building a mill to pay interest upon calls of stock as they fall due nor, in most cases is any Dividend declared for the first two or three years. In our case however, we have built two large mills and have paid interest upon the calls of stock as made from time to time, and as soon as all calls have been fully met, the quarterly dividend has been paid. You will readily understand that this money while bearing interest was not in any way





productive of earnings, but we have pleasure in stating that we feel confident the earning capacity of our mills is quite sufficient to justify us in this step.

5 We had this year to reckon with several most serious drawbacks which it was impossible to foresee. One of these was the difficulty of obtaining labour, and even after equipping the mills we were unable to operate them fully.

10 Many cotton mill operatives have returned from the United States during the year, but these were content to remain upon their farms throughout the summer months and refused work in the mill.

15 The effect of our strike last year has also been further reaching than anticipated. The strikers whom we were compelled to discharge at the time, have obtained employment in other Canadian mills, taking their relatives with them, and have succeeded in giving us a hard name.

20 With our present capacity we require some 1100 workers and to ensure the full operation of the mills should have at least 1300 to 1400 skilled operatives in the place. This means a very large population and the question of house accommodation has been a most serious one. In addition to the houses which the Company erected, a number of persons have built on private speculation, but the supply is far from sufficient, and, in many

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productive of earnings, but as the business is  
noting that we feel confident the earnings will  
of our mills is quite sufficient to meet the  
in this step.

I had this year to protect with several  
more serious conditions which it was impossible  
to meet. One of these was the difficulty of  
obtaining labor, and even after applying the  
mills we were unable to operate them fully.  
Many other mills have also been troubled from  
the United States during the year, but there was  
no such trouble in this country.

Almost the end of the year was in the mill.  
The effect of our strike last year has also  
been felt, and has been disastrous. The  
conditions that we have been compelled to discuss in  
the past, have caused employment in other  
mills, and in this country, to be very low.

We have succeeded in giving us a hard name.  
The strike has been a very serious one, and  
the mills are now at least in a better position  
to meet the conditions in the future.

Very large quantities of coal and quantities of iron  
have been shipped to the mills, and the conditions  
are now in a better position to meet the conditions  
in the future.

A number of mills have been in a better position  
to meet the conditions in the future.

But the strike is not over, and the conditions  
are now in a better position to meet the conditions  
in the future.

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cases there are two and three families in one house.

5       The people of our own parish are also most independent owing to the great demand for labour in the immediate vicinity.       The approach of winter is beginning to drive them in and we have imported families of green help who are now being rapidly trained in the different departments of the works.       Our works are to-day operating at their full capacity, though we will undoubtedly be able to increase our output as the labour becomes more experienced.

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15       A second hindrance, and one that made it difficult to hold labour, was the unsteady power which we have had during the year, through the inefficiency of our new water wheels.       The firm who built these have replaced them three times owing to their not giving the results contracted for.

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      This cost a great deal of stoppage and delay to the works, and demoralized the work people. We are glad to be able to report that this is overcome.

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      Notwithstanding all these drawbacks, our yarn mill has continued to show its usual good profits throughout the year and prevented a loss that would have otherwise been shown by the cloth mill.

30       The production of our yarn mill is steadily increasing and is now larger than ever before while

...and three miles in the ...  
The people of our own parish are also not ...  
independent of the ...  
in the immediate vicinity. The ...  
... is beginning to drive them in and we have ...  
... of green hills and are now being ...  
... in the distant ...  
... are to-day ...  
... though we will understand ...  
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... which we have not during the year, through the ...  
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... to their not giving the ...  
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... to the works, and ...  
... to be glad to ...  
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... have ...  
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the projection of the cloth mill is coming up rapidly. Trade is good and we have orders in hand to operate both mills at their fullest capacity for over six months, at very satisfactory prices, and in addition have been fortunate in securing sufficient cotton to cover all orders in hand, at lower than ruling prices and at, we think, the lowest that will be seen this year.

We have now been steadily increasing our plant for 8 to 10 years, and we feel that we have brought our mills up to a size and capacity where they can be worked at the most economical point.

This being the case we feel, that instead of seeking to make further extensions, the company must now pursue the policy of working the plant as existing, to its greatest capacity and building up a strong reserve fund.

During the year which has just passed, we have been enabled to enter into a further contract with the Quebec Railway, Power & Light Company, for additional horse power to be supplied electrically. This puts sufficient power at our disposal to meet all requirements. It is true that in obtaining this power we were obliged to make some sacrifices, but, on the other hand a cordial relationship has been established between the two companies, which will, we think, act most beneficially for both. Having accomplished this we feel that had we nothing else to show

the property of the mill is being used  
for over six months, at very satisfactory prices  
and in addition have been fortunate in securing  
sufficient cotton to cover all orders in hand,  
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We have now been steadily increasing our  
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with the Quebec Railway, Power & Light Company  
for additional horse power to be supplied  
electrically. This gives sufficient power as  
required to meet all requirements. It is true  
that in acquiring this power we were obliged  
make some sacrifices, but, on the other hand  
a cordial relationship has been established  
the two companies, which will, we think, not  
be detrimental to the mill.

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you we have done a good year's work.

The Chinese market which so seriously affected this mill has quite recovered its tone and we are now working upon large contracts for it.

During the depression in this market we found a profitable and patriotic outlet for our cloths in Australia, and one which we intend to develop.

One of our Directors has proposed that the shares of the capital stock of this company be changed from \$100 to \$10 per share making the total number of shares \$100,000 instead of \$10,000, the whole with a view of permitting our employees to invest their earnings in the company. We feel that, could the stock be purchased in small amounts, many of our employees and also the parishioners would be able to invest in it, whereas their savings do not allow them to purchase at present value.

This system has been most successful in the English cooperative mills, and while not wishing to turn this into a cooperative company, we think the above would be a step in the right direction.

This would necessitate an amendment to our charter being obtained at the next session of Parliament, and your directors wish to take this opportunity of obtaining your decision on the matter."

Then page 46:

"The statement of Profit and Loss showed a balance

you we have done a good year's work.

The Chinese market which we seriously affected

this will be quite recovered its tone and so

are now working upon large contracts for it.

during the depression in this market we found a

very small but profitable market for our goods

in Australia, and one which we intend to develop

one of our directors has proposed that the

shares of the capital stock of this company be

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number of shares \$100,000 instead of 10,000.

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to invest their earnings in the company. The fact

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to turn this into a cooperative company, we think

the above would be a step in the right direction

this would necessitate an amendment to our

charter being obtained at the next session of

Parliament, and your directors wish to have this

opportunity of obtaining your decision on the

matter.

Yours faithfully,

The Chairman of the Board of Directors

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Iversfield,

at the credit of the account of \$14,904.27.

The statement of assets and liabilities showed an expenditure on account of plant and machinery of \$1,422,608.78, stock, raw, wrought and in process, \$494,236.30; open accounts \$104,522.06; bills receivable, \$64,950; cash \$339.01, stores, \$41,985.77, Total \$2,129,141.92. Liabilities:

Capital, \$814,100; Bonds, \$450,000, Loans on debentures, \$90,000, open accounts, \$36,540.77, Bills payable, \$45,765, loans \$639,558.90, contingent account, \$18,272.98, Profit and Loss \$14,904.27; total \$2,129,141.92.

The question of changing the par value of the shares from \$100 to \$10 making the total number of shares 10,000 instead of 1,000 was discussed and it was unanimously resolved that the necessary legislation be applied for, changing the par value of the share to \$10, and to issue to the holder of each paid up 100 shares, ten of the new shares."

Then page 95; 13th Annual Meeting, September 27th 1902:

"At this the 13th Annual General Meeting of the Company it affords your directors much pleasure to meet you and to place before you the annual statement for the year ending July 31st, 1902.

During the year the mills have shown marked and steady progress, especially during the last six months, due largely to the greater of the operatives many of whom were necessarily learners or what

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at the credit of the account of \$14,304.47.

The statement of assets and liabilities and

an expenditure on account of plant and machinery

of \$1,423,000, 75, stock, raw, wrought and 11

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Eversfield,

are commonly known as "green help". The whole plant is in a high state of efficiency, is being fully operated, and the trade gives every promise of a busy year. It is still too early in the season to judge the raw cotton market, but we have sufficient cotton secured to operate the mills from five to six months at less than to-day's prices.

THE COMMISSIONER: Have you the list of directors there at that time?

MR. McRUER: Yes, my lord.

F. C. Henshaw, J.T. Ross, H.M. Price, N. Rioux, R. Forget, Alex Pringle, and J.W. Greenshields.

(Page 5820 follows)

the company known as "Green help". The whole  
plant is in a high state of efficiency, it has  
fully equipped, and the trade gives every part  
of a new year. It is still too early in the  
season to judge the new cotton market, but we  
have no reason to expect to operate the  
from five to six months at least than today's

Let me know: Have you the list of directors

there at that time?

Mr. McLeod: Yes, of course.

It is a very good list, and it is very

Mr. McLeod, Alex. McLeod, and Mr. Greenhalgh.

(The 1920 list)



THE COMMISSIONER: Who was president at that time - Mr. Whit-head?

MR. MORUER: F. C. Henshaw was president and J. T. Ross vice-president.

Then page 137, Board Meeting of July 11th, 1903, that the members of the Board have learned with regret of the death of Mr. A. F. Gault who was for many years president of this Company.

Page 148, the 14th Annual Meeting, October 10th, 1903:

"At our last meeting we were able to report progress which you will see by this year's statement has been fully maintained.

So important has the question of sufficient labour become that your directors felt justified in adding to their present accommodation a new block of houses for the better class of operatives.

The high efficiency of the plant has been maintained and it is being operated at its fullest capacity."

Then page 190: This is special general meeting of August 13th, 1904:

"It is therefore enacted that the directors of the Company be and they are hereby authorized to borrow for and in the name of this company an amount of \$50,000 and to issue second mortgage bonds of the Company for the said

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amount numbered consecutively from one to one hundred inclusive, each for the sum of \$500.00 ranking pari-passu with each other; the said Bond constituting a second charge upon all the Company's immovable property, plant and machinery and to become due and payable on the 2nd day of January, 1921 . . ."

Then page 193 - this is the same meeting:

"That the capital stock of the Company be increased by the amount of \$55,000.00 divided into five hundred and fifty shares of \$100 each, and that the said stock shall be used as mentioned in the resolution of directors which has just been read to the meeting, and that the said resolution of the directors is hereby approved and sanctioned, and the directors and officers of the company be, and they are hereby authorized to carry said resolution into effect, whenever any of said increased capital stock is called for under the provisions of By-law No.28."

The reference to the report of the directors is at page 191:

"The holders of the said Bonds shall have the option of exchanging said Bonds for common stock of the Company at any time previous to January 2nd, 1910, upon the following condition:

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amounts numbered consecutively from one to  
one hundred inclusive, each for the sum of  
\$100.00 making four hundred and one shares;  
the said shares to be distributed as follows:  
upon all the company's immediate property,  
plant and machinery and to become due and pay-  
able on the 1st day of January, 1911 . . .  
Then page 125 - this is the same meeting:  
"That the capital stock of the company  
be increased by the amount of \$25,000.00  
divided into five hundred and fifty shares of  
\$100 each, and that the said stock shall be  
used as mentioned in the resolution of directors  
which has just been read to the meeting, and  
that the said resolution of the directors is  
hereby approved and sanctioned, and the direc-  
tors and officers of the company be, and they  
are hereby authorized to carry out the resolution  
into effect, whenever any of said authorized  
capital stock is called for under the provisions  
of By-law 10.22."

The reference to the report of the directors  
is at page 121:

"The holders of the said bonds shall have  
the option of exchanging said bonds for shares  
of the company at a price of \$100.00 per  
share, and, first, upon the following conditions:

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(A) Upon the surrender of two \$500.00 Bonds, the holder will receive in exchange therefor eleven fully paid up shares of the common stock of the Montmerency Cotton Mills Co.

(B) For the surrender of one, three or five Bonds, or any number of Bonds that will call for an odd half share of stock, the said half share in such case will be redeemed by payment of \$50.00 in gold."

Then at page 202, 15th annual meeting, October 8th, 1904:

"At this the fifteenth Annual General Meeting of the Company it affords your directors much pleasure to meet you and to place before you the Financial Statement for the year ending 31st July, 1904.

Your directors find that under existing circumstances such as the low tariff, the large preferential duty in favour of manufacturers resident in England, and of the high price of cotton due to speculation in the United States, they have every reason to be satisfied with the statements now placed before the shareholders. Last year our balance to credit of profit and loss was \$14,318.18 and this year \$60,549.17 showing a net profit for the year of \$46,235.99 after writing off \$30,000.00 for wear and tear and \$7,500.00 for

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(a) Upon the surrender of two \$500.00 bonds,  
the holder will receive in exchange therefor  
eleven fully paid up shares of the common stock

of the corporation at the rate of

(b) For the surrender of one, three or five  
bonds, or any number of bonds that will call  
for an odd half share of stock, the said half  
share in each case will be redeemed by payment  
of \$100.00 in gold."

Then at page 202, 15th annual meeting, October

"At this the fifteenth annual general

meeting of the company it appears your direc-  
tors much pleasure to meet you and to place  
before you the financial statement for the  
year ending 31st July, 1904.

From the statement it will be seen existing

circumstances under the 1st July, the

large preferential duty in favour of munition-

there resident is no longer, and of the high

price of cotton due to speculation in the

market is less, they have every reason to be

satisfied with the statement now placed before

the shareholders. As to our own share in

profit of profit and loss was \$1,318.18 and

this year \$2,347.17 showing a net profit for

the year of \$1,028.99 after writing off

\$1,000.00 for wear and tear and \$7,000.00 for

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Bond redemption besides keeping the property and machinery in thorough repair.

5 Your directors had fully expected to resume the payment of dividends at this date and it was with much regret and after the most careful consideration, that it was deemed altogether in the financial interest of the company and shareholders to postpone this for the present.

10 They might add however that if re-elected their policy would be to commence payment of dividends just as soon as they can see daylight ahead.

15 The recent Bond issue has been all under-written and the machinery for the new plant ordered. This acquisition to the equipment of the mill your directors feel will go largely towards placing the company on a good dividend paying basis.

20 The directors were Lieut. Col. F. C. Henshaw, J. P. Ross, Narcisse Rioux, H. A. Price, Rudolphe Forget, Alex Pringle, Edgar McDougall.

Then page 212 a meeting of Directors on December 12th, 1904:

25 "It was decided to declare a dividend of one per cent for the three months ending October 31st, 1904, same to be payable January 15th, 1905, to shareholders of record on December 31st, 1904.

30 The president then stated that he had been

Bond redemption has been the property  
and machinery in thorough repair.

The directors have decided to

the payment of dividends at this date and it

was with much regret and after the most careful

consideration, that it was deemed altogether

in the financial interest of the company and

shareholders to postpone this for the present.

They might add however that if re-elected their

policy would be to continue payment of dividends

just as soon as they can see their way to it.

The recent bond issue has been all right

and the company is in a good position

to meet its obligations to the shareholders

of the mill and the directors feel well satisfied

to have placed the company in a good position

to meet its obligations.

The directors are pleased to have

the company in a good position

to meet its obligations

to meet its obligations

to meet its obligations

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interviewed by the representatives of a syndicate which was to be formed to acquire:

The Dominion Cotton Mills Co. Ltd.

The Colonial Bleaching & Printing Co. Ltd.

The Merchants' Cotton Co. Ltd.

The Montmorency Cotton Mills Co.

and explained the benefit that such action was expected to have on the cotton industry and the general plan to be followed in acquiring the properties. In the event of this company deciding to enter into the negotiations it would be proper to prepare a careful statement of the advantages we had at Montmorency. As a preliminary step the president had requested Mr. A. Pringle of Messrs. T. Pringle & Son, mill engineers, to write him a letter giving a statement of his estimate of the value of our power rights at Montmorency Falls. Mr. Pringle had accordingly written him a letter which was then read showing that the saving to this Company between our cost of power and what steam power would cost us was equal to a capitalization of five per cent of \$580,000.00. After discussion it was decided to adjourn the meeting till five o'clock at the Chateau Frontenac, Quebec."

THE COMMISSIONER: Was Mr. Henshaw president?

MR. McRIER: Yes.

interviewed by the representatives of a...  
...which was to be formed to...  
...the...  
...the...  
...and explained the benefits that such action was  
...expected to have on the cotton industry and the  
...general plan to be followed in carrying out the  
...proposition. In the event of this company  
...beginning to enter into the...  
...it would be proper to see and a...  
...of the advantages we had at...  
...a preliminary step the president had...  
...all... to write him a letter giving  
...statement of his estimate of the value of our  
...power at his...  
...and accordingly written him a letter...  
...that had shown that the...  
...company before our cost of power and what...  
...power would cost us as...  
...tion of five per cent of \$50,000.00...  
...a... it was decided to...  
...All...  
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Then page 214, adjourned meeting of directors,  
December 12th, 1904:

"The discussion of the Syndicate's proposition having been resumed and it being shown that 5,100 shares of the Capital Stock were represented in the room the following resolution was unanimously passed."

"That the president is hereby authorized to offer a majority of the stock of the Montgomery Cotton Mills Co. which the directors control to the Syndicate on the following terms:

"On the basis of \$1,200,000.00 for the Capital Stock of the Company to be paid half in preferred cumulative seven per cent stock and half in six per cent bonds - or

"On the basis of \$1,400,000.00 for the Capital Stock to be paid half in preferred cumulative six per cent stock and half in five per cent bonds."

THE COMMISSIONER: This is the Company's offer to the Syndicate.

MR. McRUER: Yes.

Then at page 215, meeting of Directors, January 16th, 1905:

"Regarding our my conversation with you and Mr. Williamson on Saturday night last--  
This is a letter:

"The following letter from the president

Then page 214, adjourned meeting of directors.

January 12th, 1901

"The discussion of the syndicate's propo-

sition having been resumed and it being shown

that 3,100 shares of the Capital stock were

represented in the case the following resolution

was unanimously passed."

"That the President is hereby authorized

to offer a majority of the stock of the Mont-

gomery Gordon Mills Co. which the directors

control to the syndicate on the following terms:

"On the basis of \$1,000,000.00 for the

Capital stock of the company to be paid half

in preferred non-voting seven per cent stock

and half in six per cent bonds - or

"On the basis of \$1,400,000.00 for the

Capital stock to be paid half in preferred

non-voting six per cent stock and half in

five per cent bonds."

"The Board of Directors: This is the company's offer

to the syndicate.

Then at page 215, meeting of directors, passed

resolutions and my conversation with you

and Mr. Williamson on Saturday night last-

This is a letter:

The following letter from the syndicate

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to David Youile, chairman of the Cotton Syndi-  
cate committee was read:

Dec. 21st, 1904

David Youile, Esq.

Chairman Cotton Syndicate Committee

Dear Sir:

Regarding my conversation with you and  
Mr. Williamson on Saturday night last. My  
understanding in regard to the proposed pur-  
chase of the Montmorency Cotton Co. stock is  
briefly as follows - viz: The new Company  
to assume all assets and all liabilities of the  
Montmorency Company including about \$50,000.00  
for new bleaching plant now being installed and  
for which a like amount of bonds has been under-  
written. These bonds to be cancelled and the  
underwriters to be paid their underwriting com-  
mission of five per cent. In addition to this  
the new Company is to pay for about \$10,000.00  
worth of new machinery now under order. The  
bonds which the shareholders of the Montmorency  
Company are to receive from the new Company in  
part payment for their stock are to be secured  
by a mortgage on the immovable property, machinery  
water power etc. now owned by the Company, and  
are to be registered as a second mortgage bond  
as soon as it can be legally done. These bonds  
to follow the present existing first mortgage

to David Yorliffe, chairman of the Cotton Syndicate

the committee was told:

Dec. 21st, 1904

David Yorliffe, sec.

Chairman Cotton Syndicate Committee

Dear Sir:

Regarding my conversation with you and

Mr. Williams on Saturday night last, I

understand in regard to the proposed pur-

chase of the Montgomery Cotton Co. stock is

pretty as follows - viz: The new company

to acquire all assets and all liabilities of

Montgomery company including about \$50,000.00

for new plant and plant not being included in

for which a large amount of bonds has been used

already. These bonds to be cancelled and the

understandings to be paid thereunder within one

month or of five per cent. In addition to the

the new company is to pay for about \$20,000.00

with the new machinery now under order. The

bonds with the understanding of the old company

company are to receive from the new company a

first payment for their share of the new com-

pany's share on the immediate property, which

water power etc. now owned by the company, and

are to be re-issued as a second mortgage on the

as soon as it can be legally done. I have to

be advised that the new company is to be

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Eversfield

bonds. The new bond issue to be approved of  
by our counsel Mr. J. N. Greenshields in order  
to make the sale binding.

Yours very truly,

(Signed) F. C. Henshaw, President  
MONTMORENCY COTTON MILLS CO."

And the answer to same as follows:

Montreal Dec. 27th, 1904.

"F. C. Henshaw, Esq.

President Montmorency Cotton Co.

Montreal, Quebec.

Dear Sir:

I have received your letter of the 21st  
December and in reply would say that your under-  
standing is correct; whenever all the shares of  
your Company have been obtained and the property  
transferred over to the new Company, until all  
the shares and the affairs of the Company in-  
cluding land etc. are transferred to the new  
Company, your Company will have to run as a  
separate concern, so that you will not be able  
to transfer the Assets and Liabilities of the  
Montmorency Cotton Co. to the new Company.  
neither can the mortgage be made out to guarantee  
the bonds of your Company until this property  
has been transferred to the new Company.

In your letter you go on the assumption  
that all the shares will be obtained by the new

bonnie. The new bond issue to be approved of  
by our counsel Mr. J. A. Greenfield in order  
to make the sale binding.

(Signed) E. W. Henshaw, President

and the answer to same as follows:

Montreal Dec. 27th, 1904.

"E. W. Henshaw, Esq.

Dear Sir:

I have received your letter of the 14th  
December and in reply would say that our under-  
standing is correct; however all the shares of  
your company have been obtained and the property  
transferred over to the new company, until all  
the shares and the rights of the company in-  
cluding land etc. are transferred to the new  
company, your company will have to run as a  
separate concern, so that you will not be able  
to transfer the assets and liabilities of the  
company over to the new company.  
neither can the mortgage be made out to the new  
company as the same will not be binding.  
has been transferred to the new company.

In your letter you say on the assumption  
that all the shares will be obtained by the new

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Company and on that assumption your letter and understanding is as we understand it.

Yours truly,

(Signed) David Youile

Chairman of the Cotton Syndicate.

The president then stated that in view of the letters from himself to Mr. Youile and his replies thereto, and of the fact that the majority of the shareholders of this company had assented to the proposed merger scheme, that it would therefore be unnecessary to issue to the public, and now underwritten, the second mortgage Bonds, amounting to \$50,000.00 and that the same should be cancelled and that the mortgage securing the same should also be discharged."

Resolution giving effect to that follows.

Then page 2-3, special General Meeting, 10th of April, 1905.

"The following shareholders were present:

Hon. L. J. Forget

G. B. Gordon Esq.

H. L. Holt Esq.

J. P. Black Esq.

D. Williamson Esq.

and the Royal Trust Company represented by proxy, making in all 9950 shares represented at this meeting."

THE COMMISSIONER: This is a meeting of the directors of the Montmorency Co.?

Company and on that assumption your letter and  
understanding in as we understand it.

(Witness) David Yorliff

Chairman of the Boston Lyceum  
The president then stated that in view of  
the letters from himself to Mr. Yorliff and his  
twelve others, and of the fact that the ma-  
jority of the members of this company had  
assented to the proposed merger scheme, that  
would therefore be necessary to issue to the  
public, and that the same should also be dis-  
charged.

Resolution giving effect to that follows.  
Then page 22, special general meeting, 1917

and the novel  
action in all 1917  
This is a meeting of  
of the company of 1917

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MR. MORRIS: No, shareholders special meeting.

THE COMMISSIONER: Well then, those that are named there as being present, are they directors?

5 MR. MORRIS: Not yet. They were elected that day as I recollect.

"It was therefore moved by Hon. L. J.

Forget and seconded by H. S. Holt Esq. that

the following gentlemen be appointed directors

10 of the Montmorency Cotton Mills Co.

David Youile Esq.

Hon. L. J. Forget

C. B. Gordon Esq.

Hon. Robert Mackay

15 J. P. Black Esq.

H. S. Holt Esq.

D. Williamson Esq."

MR. MORRIS: The purchase of the stock had taken place in the meantime. This is in April 1905. The Royal Trust Company had acquired the stock in the  
20 meantime.

Then page 235 was a meeting of directors of the Montmorency Cotton Mills held on the 2nd of October,  
25 1905:

"The meeting was called for the purpose of declaring a dividend out of the earnings for the past nine months ended 30th September 1905. After this matter had been fully discussed it was moved by C. B. Gordon, seconded by J.P. Black  
30

Mr. McNeill: No, shareholders' meeting.  
The Council is all there, I think, and  
named there as being present, and they discussed  
Mr. McNeill: Not yet. They were elected that  
as I recall.

It was therefore moved by Mr. H. J.  
Loriot and seconded by H. J. Holt that  
the following resolution be appointed director  
of the Montgomery-Watson Mill:

John Holt, Esq.  
J. J. Holt, Esq.  
J. J. Holt, Esq.  
Hon. Robert J. Holt  
J. J. Holt, Esq.  
J. J. Holt, Esq.  
J. J. Holt, Esq.

... the purpose of the stock had been  
placed in two meetings. This is in April 1900. The  
Royal Bank Company had received the money in the  
previous.

Then page 532 was a meeting of directors of the  
Montgomery-Watson Mill, held on the 2nd of October,  
1900:

The meeting was held at the premises  
of the Montgomery-Watson Mill, and the purpose of the  
meeting was to discuss the affairs of the company.  
The first nine months ended 30th September 1900  
after this matter had been fully discussed it  
was moved by J. J. Holt, seconded by J. J. Holt

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and unanimously resolved:

That a dividend at the rate of 10% per annum on the stock of our company for the nine months ended September 30th, equal to 7½% be declared out of earnings. The dividend to be paid on the 16th day of October, 1905."

Q. Then the last entry in this book appears to be in May, 1929, Mr. Eversfield. The assets of the Montmorency Company were passed over ultimately to the Dominion Textile Company? A. Yes sir.

Q. There does not appear to be any discussion of a lease in these minutes - do you know whether they leased the assets of the Montmorency Company to the Dominion Textile Company? A. No, I do not. I believe those shares were all purchased much earlier than the others.

Q. Oh, they acquired all the stock? A. They acquired all the stock.

---

the following is a list of

that is, a list of the names of the

names on the stock of the company

of a number of names, and I do

not be dealing out of circulation. The list

to be put on the list of October, 1905.

. Then the last entry is this book

to be in my, 1905, and I wish to

of the book, which were named ever

and I do not wish to say

and

5. There have not been any

of a force in these minutes - so

they found the names of the

to the London Textile

relative to the names of the

and I do not wish to say

6. The names of the names of the

and I do not wish to say

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Q. Then we come to the Colonial Bleaching & Printing company. The book I show you is a minute book which you produced from the records of the Textile Company which purports to contain the minutes of the Colonial Bleaching company? A. The Colonial Bleaching & Printing Company, Ltd.

. And we have this from its inception?

A. Yes.

Q. Now, page 1 contains the charter. The charter has the following recital:

"And whereas, William T. Whitehead, manufacturer--"

THE COMMISSIONER: Will you tell me what date?

MR. McRUER: Yes, my Lord, the 14th day of July in the year 1899.

The recital is:

"And whereas William T. Whitehead, manufacturer, Arthur William Patrick Buchanan, advocate, Hector E. Bisarillon, gentleman, Edward Hobson, Barker, advocate, all of the City of Montreal are applicants for the charter.

The capital stock of the said Company shall be \$500,000 divided into 5,000 shares of \$100 each. . . ."

In the minutes of the meeting of provisional directors, held on the 18th of July, 1899, Mr. Holt was introduced to the meeting and was elected provisional president and took the chair.





THE COMMISSIONER: Where did this Company carry on its business?

MR. MORUER: Their plant was ultimately located in Montreal. There is a proposition here about them locating some place else.

Then page 15:

"The provisional secretary was instructed to notify the shareholders of the foregoing call. Mr. Whitehead reported that a By-law in favour of the Company had been passed by the Council of the Town of St. Henry, granting the Company a free site and exempting from taxation upon certain terms and conditions. The By-law to be submitted to the electors entitled to vote on the same on Monday the 24th instant."

Then page 60, special meeting, special general meeting 13th June, 1900:

"For the purpose of considering By-law No. 26, passed by the directors to provide for the issue of a series of first mortgage bonds, amounting in the aggregate to the sum of two hundred thousand dollars and providing for the hypothecation of the Company's property to secure the same."

Then page 78, this is annual general meeting, 29th April, 1901:

"On motion H. S. Holt took the Chair and P. C. Shannon acted as Secretary to the meeting."

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100-100000

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The Chairman called the meeting to order and the Secretary read the notice calling the same, which read as follows:

Then page 79:

"Our works were started up about the middle of last April and we are pleased to say that since then they have been running continuously, and it is a certainty (barring accidents) that such will continue during the present year."

We were delayed in starting the works in time to secure last Fall's business, so that our sales for the first six months were light. However, the last six months sales were very fair and the total for the year amounted to \$422,774.00. Our sales for the present month are as much as those for the first six months of last year.

You will notice that the profits were somewhat more than sufficient to cover interest on the loans and bonds and all general charges - this in the face of a first and full year's expense, as against only about eight months sales is very satisfactory.

We can now certainly claim that "Colonial" Prints are popular with the trade in general, and are already sold on equal terms with the other Canadian and imported goods, and we have

Exhibit 11

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The Chairman called the meeting to order and  
the Secretary read the notice calling the  
same, which read as follows:

Then page 79:

"Our works were started up about the middle  
of last April and we are pleased to say that  
since then they have been running continuously  
and it is a certainty (being so) that  
such will continue during the present year.

We were delayed in starting the works in  
time to secure last fall's business, so that  
sales for the first six months were light. How-  
ever, the last six months sales were very heavy  
and the total for the year amounted to

that, which is the same as last year's  
sales as much as those for the first six months  
of last year.

You will notice that the profits were con-  
siderable and that we are able to pay interest on  
the loan and bonds and all general charges -  
this is the first of a kind and will year's

profits, and we are able to pay interest on  
the loan and bonds and all general charges -

we can now certainly claim that the profits  
are higher than last year's and we are able to  
pay interest on the loan and bonds and all general  
charges with the

other business and interest on the loan and bonds

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no fear that the full production of our works during the coming year can be easily marketed, and that prices that will give a fair return on capital invested.

We have been compelled to import so much cloth from England and the United States under heavy duties that your directors have given attention to the question of erecting a cotton mill to supply part of the cloth required, and are convinced that such can be carried out profitably and at the same time prove of great benefit to your present property."

Then page 90, annual meeting, 29th April, 1902:

"Your directors beg to submit the financial statement of the past year's business. The sales for the year amounted to the very satisfactory sum of \$707,000.00 as against \$422,000.00 the previous year - but the net result has been disappointing. This is due to the high priced stock carried over on which during the first six months of the past year there was a very heavy depreciation in value and also to the exceedingly low prices for the finished article that have obtained in this country during the past season - in fact the lowest prices on record. The stocks referred to were the result of contracts placed in 1900, and were nearly all United States and English cloths, which were subject to a heavy

1900-1901

1901

no fear that the full production of our work  
during the coming year will be seriously  
affected by the loss of the last year's

no fear that the full production of our work

we are a team composed of men of high  
character and the best of business habits  
heavy duties that your experience have given

attention to the question of erecting a system  
will to supply part of the above need, and  
has obtained that such a system is

gradually and at the same time some of the  
most important of our business  
then have 80, annual meeting, 1901, 1902

"Your director has to submit the financial  
statement of the past year's business. The  
sales for the year amounted to the very

factory sum of \$107,000.00 as against \$11,000.00  
the previous year - but the net result has been  
disappointing. This is due to the high prices

stock occurred over or under during the year  
six months of the year when there was a very  
large increase in the price of the stock

exceedingly low prices for the finished articles  
that have occurred in this country during the  
past season - in fact the last season on the

the goods referred to as the result of the  
given in 1900; and were nearly all sold at  
the same price. This was due to the fact

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5 duty - (since the Company commenced business the  
duty has amounted to over \$80,000.00) - at that  
time the manufacturers in this country were so  
busy that it was impossible to contract here -  
and the prices of grey cotton were at a high  
point. Before these goods could be marketed,  
prices had receded considerably. If any satis-  
faction can be taken from it, the fact remains  
10 that we were not alone in this respect - it  
having been the experience of most of the con-  
verters of cotton goods on both sides of the  
Atlantic. The Calico Printers Association of  
Manchester, England, being a case in point and  
15 somewhat parallel to our own. The prospects  
for the coming year are now ever very encouraging.  
Our stock on hand is lower than a year ago and  
consists of staple cloths of undoubted value.  
We have made large contracts for the coming  
20 year at satisfactory prices.

Even with the prices of finished goods at  
their present low level, the contracts referred  
to will enable us to make a very different  
25 showing at the end of the present year - the firm  
state of the cotton market would seem to indi-  
cate that even better prices may be obtained than  
we are now counting on.

30 The works of the Company are in very satis-  
factory order and are maintained at the highest

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state of efficiency - during the year just passed we have added a storehouse - another boiler - and a set of drying machinery - all of which were necessary to enable us to bring our working expenses down to the lowest possible point.

During the year the reputation of our goods has been well kept up, and "Colonial" prints have become a standard article in the Canadian trade. The advantage of a Cotton Mill in connection with our Print Works, has not been lost sight of by your Directors, and it is likely that a proposition looking to this end may be placed before you in the near future.

The whole respectfully submitted

H. S. Scott, President  
Montreal, April 29, 1902.

Then page 93:

"The directors for the ensuing year were H. S. Holt, Alphonse Racine, George F. Hartt, Frank Paul, E. M. Heney, Chas. R. Hosmer, and W. F. Whitehead."

Then page 105, the annual general meeting, 29th April, 1903:

"Notice is hereby given that the annual general meeting of the shareholders of the Colonial Bleaching & Printing Co. Ltd. will be

1918-1919

state of efficiency - during the year just  
passed we have added a storehouse - another  
boiler - and a set of drying machinery - all  
of which were necessary to enable us to bring  
our working expenses down to the lowest possible point.



5837

Eversfield

held at the Company's office No.232 McGill Street, Montreal, on Wednesday the 29th day of April, 1903 . . .

5 Your directors beg to submit the financial statement of the past year's business. They are pleased to be able to say that their expectations as outlined to the last meeting of shareholders have been fully realized -

10 the net profit for the twelve months, after providing for interest on outstanding Bonds, exceeding \$55,000, sufficient to wipe out our debit balance and leave a good amount at the credit of profit and loss.

15 The outlook for the coming year's business is of the best and the result of same - unless unforeseen contingencies occur will fully equal and may surpass that of the last twelve months.

20 We have recently added one set of printing machinery to our plant. This was rendered necessary by the fact of our being so crowded with work, that for months we were forced to run part of the work day and night.

25 The effect of this increase in facilities will be seen this year in still further reduced working expenses.

30 The sales of the year - to the value of eight hundred and fifty thousand dollars, show an increase over the previous year of over

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Your responses are being submitted for review.

These results are consistent with the hypothesis that the observed effects are due to the presence of the test material in the test solution.



twenty per cent.

On this large quantity of goods, distributed from the Atlantic to the Pacific, we have yet to have the first complaint from any customer, which goes to prove that the good name of "Colonial" products is being well maintained.

The directors consider that the Company is on a solid dividend earning basis, and that returns to the shareholders will not now be long delayed."

Page 118, Board Meeting of the 15th April, 1904:

"The trade account, profit and loss statement for year ended 31st March and General Balance Sheet as at that date were submitted and considered, the Board ordered a discount of ten per cent say \$15,000 to be taken off the finished goods on hand; after making this deduction the net trade profits for the year are \$28,216.63, to which we add \$3,000 for proportion of bonus from the City of St. Henri, making a total gain in surplus on the years operation of \$31,216.63.

THE COMMISSIONER: How much was this bonus?

MR. McRUER: \$3,000 a year. It comes up later on. I do not find in the minutes the arrangement under which it was made.





THE COMMISSIONER: Was there a tax exemption?

MR. McRULER: We will find out.

Then at page 121, the annual general meeting of  
shareholders, 26th April, 1904.

"Your directors beg to submit the Annual  
Report and Financial Statement of the last  
year's business.

As you are no doubt aware, the past 12  
months has been a very trying period to all  
engaged in the cotton trade throughout the  
world; but notwithstanding this, we think you  
will consider the results placed before you  
of the past year's business, exceedingly  
satisfactory.

During the year, we have made improvements  
in our plant tending to still greater effi-  
ciency of working, and have also added a com-  
plete Abzorine Dyeing Plant which will enable  
us to cater to a new branch of business in  
which we have noted a fair demand during the  
past two seasons.

The property and plant of the company have  
been maintained throughout the year in the  
highest state of efficiency.

The sales for the year amounted to  
\$899,000, showing a fair increase over the  
previous year, and the quality of "Colonial"  
goods has been well kept up.

over this

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W. J. Brady, Jr. and there is no exception.

A. Brady: We will give out.

Then at 8:30 p.m. the annual general meeting of

the company, held at the

Hotel Grand Central, to elect the annual

report and financial statement of the year

1900.

At 8:30 p.m. no doubt many, and many a

month has been a very trying period to all

engaged in the cotton trade throughout the

month; but notwithstanding this, we think you

will consider the results placed before you

of the past year's business, especially

the following:

During the year, we have made improvement

in our plant tending to still greater effi-

ciency of working, and have also added a com-

plete factory for the manufacture of

us to enter in a new branch of business in

which we have found a full demand during the

past few seasons.

The property and plant of the company have

been maintained throughout the year in the

best state of efficiency.

The sales for the year amounted to

\$259,000, showing a fair increase over the

previous year, and the quality of "col" and

goods has been well maintained.

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Your directors have declared a dividend at the rate of 6% per annum out of the profits of the past year, payable half yearly in the months of January and July; the first dividend will be paid to the shareholders on July 15th next."

The directors elected at this meeting were:

H. A. Holt, Alphonse Racine, Charles R. Hosmer, Frank Paul, George F. Hartt and J. W. Stephens, Jr.

Then page 127, Minutes of Meeting of the Board of Directors held on the 14th of October, 1904:

"The Trade Account and Profit and Loss Statement for six months ended 30th September, 1904, were submitted, also the General Statement of Assets and Liabilities as on that date. The net trade profits for the half year were \$23,867.56. The gain in surplus after allowing for payment of dividend was \$17,936.56."

Then page 129, Board Meeting 24th of October, 1904:

"An offer was received from the Royal Trust Company to purchase the shares of the Company on certain terms, and after due consideration it was decided to approve of same, subject to certain amendments, and that the Board would recommend the project as so amended for the acceptance of shareholders."

Your statement has been received and is being  
at the same time, a copy of the minutes  
of the last year, together with a copy of the  
minutes of January and July, the last two years  
will be sent to the shareholders of this firm  
next.

The statement is being sent to this meeting  
at the same time, a copy of the minutes of the  
last year, together with a copy of the minutes of  
January and July, the last two years, will be  
sent to the shareholders of this firm next.

The statement is being sent to this meeting  
at the same time, a copy of the minutes of the  
last year, together with a copy of the minutes of  
January and July, the last two years, will be  
sent to the shareholders of this firm next.

The statement is being sent to this meeting  
at the same time, a copy of the minutes of the  
last year, together with a copy of the minutes of  
January and July, the last two years, will be  
sent to the shareholders of this firm next.

The statement is being sent to this meeting  
at the same time, a copy of the minutes of the  
last year, together with a copy of the minutes of  
January and July, the last two years, will be  
sent to the shareholders of this firm next.



Page 132, a Board Meeting 16th March, 1905:

"The president explained that it had been decided to transfer all the property and assets generally of the Company to the Dominion Textile Co. Ltd - the price to be paid was \$507,000 payable as follows: \$300,000 in Bonds of the Dominion Textile Co. Ltd., being part of a total issue of \$3,370,500 of which the said \$300,000 is to be specially secured by hypothec upon the property presently owned by this Company, the remaining \$207,000 to be paid by fully paid up 7% preferred stock of the Dominion Textile Company Ltd.

The president reported that the assent of all the shareholders of the Company had been obtained to this transfer."

Page 134, special general meeting of the shareholders, 16th day of March, 1905:

"Resolved

That the president and secretary be and are hereby authorized in the name and on behalf of the Company to sell and assign to the Dominion Textile Co. Ltd, all the property and assets generally of this Company for the sum of \$507,000 to be paid as to \$300,000 in and by 20 year 6% Bonds of the Dominion Textile Co. Ltd., forming part of a total issue of \$3,370,500, the said \$300,000 to be specially secured by

Investigation

1931

"The President's explanation that it had been  
feared to transfer all the property and assets  
generally of the company to the Dominion Textile  
Co. Ltd. - was also to be paid was \$25,000 pay-  
able as follows: \$200,000 in bonds of the  
Dominion Textile Co. Ltd., being part of a  
total issue of \$2,370,000 of which the said  
\$200,000 is to be specially secured by hypothec  
upon the property presently owned by this company  
and remaining \$25,000 to be paid by Dominion Textile  
up 75 preferred stock of the Dominion Textile  
Company Ltd.  
The President reported that the assets of  
all the shareholders of the company had been  
obtained to this transfer."  
Late 1931, special general meeting of the share-  
holders, 19th day of March, 1932:  
That the President and Secretary be  
and are hereby authorized in the name and on  
behalf of the company to sell and assign to the  
Dominion Textile Co. Ltd. all the property and  
assets generally of this company for the sum of  
\$200,000 to be paid as to \$200,000 in and by  
30 year bonds of the Dominion Textile Co. Ltd.,  
forming part of a total issue of \$2,370,000.  
The said \$200,000 to be specially secured by

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hypothee upon the property to be transferred under the present resolution, and the remaining \$207,000 in and by 2070 shares of 7% preferred stock of the said Dominion Textile Co. Ltd., fully paid up, the whole upon such terms and conditions as may be approved by the president and secretary and the solicitors of the Company.

Carried."

Q. Now, Mr. Eversfield, that was completed apparently at a meeting on the 16th of March, 1905. I want to get the names of the Directors of this Company who were in office at the time that the Dominion Textile was organized about the end of 1904. That would take us back to page 121 or 122. At page 121 we have the Annual Meeting held on the 26th of April, 1904. That would be the one. The directors elected at that Meeting were: H. S. Holt, Alphonse Racine, C. R. Hosmer, Frank Paul, George F. Hartt, W. T. Whitehead and G. W. Stephens, Jr.? A. Yes.

THE COMMISSIONER: Did this last Company, the Colonial Bleaching & Printing Co. ever pay any dividend?

MR. MORUER: Yes, my Lord, it paid 6%.

THE COMMISSIONER: Just the one year?

MR. MORUER: Yes, just the one year.

Q. Now, we will take the Merchants' - meeting of shareholders held prior to December 1904 is what we want. There is a meeting of shareholders on the





9th of February, 1904--? A. I think the shareholders meeting closed here, resulting in the re-election of the old Board.

Q. Well, the old Board was elected at that meeting? A. Yes. I would suggest, sir, that you consult the subsequent directors meetings and I think we can gather the names. The full Board was here.

A. Then we have on the 17th of March the following names: Messrs. Crothern, Cleghorn, Angus, Beattie, Hodgson, Ayer and MacKay?

A. I believe that completes the Board. We have seven names.

MR. MCKUER: Then for the Montmorency Company there is a meeting of the shareholders on the 8th of October, 1904. The directors elected at that meeting were: Lieut. Col. Henshaw, J. T. Ross, R. C. Rioux, H. M. Price, Rudolphe Forget, Alexander Pringle and Edgar McDougall.

The Dominion Cotton Mills Co., annual meeting on the 28th of April, 1904, the directors elected were: Hon. L. J. Forget, James Wilson, Jac Grenier, D. A. Iwing, C. A. Gault, A. B. Mole and Samuel Carsley.

Now, the names of the parties who participated in the Syndicate as shown by Exhibit 330 are as follows:

David Yulle \$90,000

G. A. Grier 90,000

G. H. Gordon 100,000

The Dominion Cotton Mills Co., actual owner of



Rudolphe Forget 40,000

H. S. Holt 100,000

Hon. Robt. Mackay 50,000

F. C. Henshaw 20,000

Geo. Caverhill 10,000

J. F. Black 90,000

D. Williamson 90,000

Hon. L. J. Forget 100,000

H. V. Meredith 100,000

S. Carsley 50,000

David Morrice 40,000

James Rodger 20,000

John Baillie 10,000

making in all the sum of \$1,000,000, \$500,000 of which was for preferred stock and \$500,000 for all the common stock.

THE COMMISSIONER: You mean in the Company to be formed?

MR. McRUER: In the Company to be formed.

MR. BALLANTYNE: Does it read 500,000 shares?

MR. McRUER: The Trust Company is to pay to the said Dominion Textile Company Ltd. the sum of

\$500,000 in exchange for \$500,000 of its paid up preferred stock at par.

To pay to the Dominion Textile Co. Ltd. the balance of \$500,000 and to transfer to the Dominion Textile Co. Ltd., and then goes on to name the shares of those various companies.





"As a consideration for the foregoing,  
the said Dominion Textile Co. Ltd., shall issue  
and allot to the said syndicate, or its nominees,  
5 \$5,000,000 of its common stock, fully paid up  
and non-assessable, and \$1,534,500 of its Bonds,  
and \$718,700 of its preferred stock fully paid  
up and non-assessable."

10 Of course, the Bonds and preferred stock were  
what were required to transfer to the shareholders of  
the other companies and \$5,000,000 of the common stock.

MR. BALLANTYNE: That does not appear from that  
document.

15 MR. McRUER: Does not appear quite as clear as  
I was putting it.

Q. Then we will have the first directors minute  
book of the Dominion Textile Company. A. There  
it is.

20 THE COMMISSIONER: This Dominion Textile Co.  
was incorporated by private Act was it?

MR. McRUER: No, Dominion charter I think, my  
Lord.

THE COMMISSIONER: And in what year?

25 MR. McRUER: I will have it presently. I just  
want to complete a record of one matter that I want  
to keep all together.

30 Q. I show you a minute book which purports to  
be minute book of the directors of the Dominion Tex-  
tile Company - did you produce this from the records  
of the Dominion Textile Company? A. Yes sir.

"As a consideration for the foregoing,

the said Dominion Textile Co., Ltd., shall issue and allot to the said applicant, or its nominee, 15,000,000 of the common stock, fully paid up and non-voting shares, and 1,000,000 of the bonds and 1,000,000 of the preferred stock fully paid up and non-voting shares.

Of course, the bonds and preferred stock were

what were required to transfer to the shareholders of the other companies and 15,000,000 of the common stock. Mr. [Name] : This does not appear from that document.

Mr. [Name] : Does not appear quite as clear as

I was putting it.

Q. Then we will have the first [unclear] minute

back of the Dominion Textile Company. A. There

it is.

Mr. [Name] : This Dominion Textile Co.

was incorporated by private act was it?

Mr. [Name] : No, Dominion started I think, by

THE [unclear] : And in what year?

Mr. [Name] : I will have it presently. I just

want to complete a record of one matter that I want

to keep all together.

I will give a short and [unclear] to

in [unclear] book of the [unclear] of the Dominion [unclear]

This [unclear] - [unclear] [unclear] this [unclear]

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MR. MORUER: This purports to be a meeting of the provisional directors. The names of the provisional directors are - Hon. L. J. Forget, David Williamson, George A. Grier, Charles B. Martin, J. P. Black and the Hon. Robert Mackay. This meeting is on the 27th of January, 1905. They passed the usual by-laws.

(Page 5845 follows)

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And then there are certain allotments of stock.

And then an offer from the syndicate, of which David Yuille is chairman, to subscribe for and take 3000 shares amounting to \$500,000 of the preferred stock of this company, at par, and to pay for the same in cash forthwith out of the \$1,000,000 on deposit in the hands of the Royal Trust Company, upon the allotment and issue of such shares to the following persons in the following proportions, to wit:

David Yuille, 450 shares,

G.A. Grier, 450 "

C. B. Gordon, 496 "

Rudolphe Forget, 200 "

H.S. Holt, 500 "

Hon. R. Mackay, 250 "

Fred C. Henshaw, 100 "

Geogre Caverhill, 50 "

James N. Laing, 2 "

John P. Black, 450 "

D. Williamson, 450 "

Hon. S.J. Forget, 500 "

H.V. Meredith, 500 "

S. Carsley, 250 "

D. Morrice, 200 "

James Rodger, 100 "

John Baillie, 50 "

A.J. Brown, 2 "

The said shares to include the two shares each subscribed for by the following persons to

Verstärkung

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and then an order from the bridge, of which bridge

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to procure the incorporation of this Company  
to wit:

David Yuile,

Chas. B. Gordon,

John P. Black,

D. Williamson,

H.V. Meredith,

E.J. Forget,

H.S. Holt,

Fred C. Henshaw,

Robert Mackay,

G.A. Grier,

D. Morrice,

James N. Laing,

AND FURTHER to sell to this Company:

24,467 shares of the capital stock of the Dominion  
Cotton Mills Company, Limited, out of a total

issue of 30,336 shares of the said Company;

14118 shares of the capital stock of the

Merchants Cotton Company Limited, out of a

total issue of 15,000 shares of the said Company;

9,693 shares of the capital stock of the Montmorency

Cotton Mills Company out of a total issue of

10,000 shares of the said Company;

2,368 shares of the capital stock of the Colonial

Bleaching and Printing Company, out of a total

issue of 3,000 shares of the said Company.

All the shares of the said four cotton companies

to procure the incorporation of this company

to wit:

David Yellie,

Chas. E. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

John J. Brown,

and further to sell to this company:

\$4,400 shares of the capital stock of the David

Yellie & Co. Company, Limited, out of a total

issue of 10,000 shares of the said company;

10,000 shares of the capital stock of the

Metropolitan Edison Company Limited, out of a

total issue of 10,000 shares of the said company;

\$4,400 shares of the capital stock of the David

Yellie & Co. Company, Limited, out of a total issue of

10,000 shares of the said company;

\$4,400 shares of the capital stock of the David

Yellie & Co. Company, Limited, out of a total

issue of 10,000 shares of the said company.

and further to sell to this company:



being of the par denomination or value of  
\$100.00 each.

5 The said shares in the said four cotton companies  
so offered for sale to this Company constituting a  
majority or controlling interest in each of the  
said companies.

10 AND FURTHER to pay to this Company the sum  
of \$500,000.00 in cash, being the balance of the  
\$1,000,000.00 on deposit with The Royal Trust Company;

15 The whole in consideration of this Company  
issuing, allotting and delivering to the Royal Trust  
Company as nominees of the said Syndicate, 12,222  
fully paid up and non-assessable preferred shares of  
this Company of the par value of \$100.00 each  
(in addition to the 5,000 shares above-mentioned)  
\$2,759,000.00 of this Company's 6% twenty year bonds,  
forming a portion of a total issue of bonds amounting  
20 to \$3,370,500.00 to be made by the Company in the  
form and secured in the manner hereinafter indicated,  
and to the said Syndicate, or its nominees, 50,000  
shares, equivalent to \$5,000,000.00, of this Company's  
fully paid up and non-assessable Common Stock.

25 The bonds above mentioned and the Trust Deed  
securing the same, to be drawn in such manner and to  
contain the necessary provisions to comply with the  
following conditions:

30 The said Bonds shall consist of four series,  
and shall be known as Series A, B. C. and D, and  
each of said series shall be sub-divided to include

being of the low standard of value in

the market.

The said shares in the said four cotton companies  
so offered for sale to this Company a netting a  
majority or controlling interest in each of the  
said companies.

AND WHEREAS to pay to this Company the sum  
of \$300,000.00 in cash, being the balance of the  
\$1,000,000.00 on deposit with the Royal Trust Company  
the whole in consideration of this Company

limited, situate and situate to the Royal Trust  
Company as nominee of the said syndicate, in, and  
fully paid up and non-assessable preferred shares of  
this Company of the par value of \$10.00 each

(in addition to the 5,000 shares above-mentioned)  
\$2,750,000.00 of this Company's 25 twenty year bonds,  
forming a portion of a total issue of bonds amounting  
to \$3,000,000.00 as set out in the prospectus in the

form and secured in the manner specified in the  
and to the said syndicate, or its nominee, \$5,000  
shares, equivalent to \$5,000,000.00, of this Company's

The bonds above mentioned and the first bond  
secured the sum, to be paid to the said syndicate and to  
the said syndicate, to be paid to the said syndicate and to

The said bonds shall be issued at four per cent,  
and shall be paid to the said syndicate at four per cent,

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Eversfield,

bonds of the respective denominations of  
\$1,000.00, \$500.00 and \$250.00.

5 "Series A shall consist of Bonds to the face  
value of \$758,500.00, redeemable at any time at a  
premium of 10%. Of this series, the said Syndicate  
shall be entitled to receive Bonds to the face  
value of \$611,750.00, which bonds shall be  
secured by the deposit with the Trustee of all  
10 the shares of the Dominion Cotton Mills Company,  
Limited, which are to be acquired from the said  
Syndicate under this offer, and which bonds shall,  
in the event of the said Dominion Textile Company  
Limited acquiring all the shares of the said  
15 Dominion Cotton Mills Company, Limited, so that the  
real estate of the said Company can be transferred  
to the Dominion Textile Company Limited, be secured  
by a Deed of Mortgage and Hypothic, to be executed and  
20 registered against the real estate so acquired from  
the said Dominion Cotton Mills Company, Limited.

25 Series B: Shall consist of Bonds to the  
face value of \$1,162,000.00 redeemable at par after  
five years. Of this series the said Syndicate shall  
be entitled to receive Bonds to the face value of  
\$941,250.00, which bonds shall be secured by the  
deposit with the Trustee of all the shares of the  
Merchants Cotton Company, Limited, which are to be  
30 acquired from the said Syndicate under this offer,  
and which bonds shall, in the event of the said

Respectfully,

Yours,

Wm. A. R. Brydie

Wm. A. R. Brydie

"Series A shall consist of Bonds to the sum

value of \$100,000.00, redeemable at any time at a

premium of 10%. Of this series, the said Bonds

shall be entitled to receive Bonds to the sum

value of \$10,000.00, which Bonds shall be

secured by the deposit with the Trustee of all

the shares of the Dominion Cotton Mills Company,

Limited, which are to be received from the said

Company, and which shall be

in the event of the said Dominion Cotton Mills Company

Limited acquiring all the shares of the said

Dominion Cotton Mills Company, Limited, as that the

real estate of the said Company can be transferred

to the Dominion Textile Company Limited, be secured

by a deed of mortgage and hypothec, to be executed

registered against the real estate so acquired from

the said Dominion Cotton Mills Company, Limited.

Witness my hand and seal this 1st day of

June 1911, at the City of Toronto.

Wm. A. R. Brydie

Five years. Of this series the said Bonds shall

be entitled to receive Bonds to the sum value of

\$10,000.00, which Bonds shall be secured by the

deposit with the Trustee of all the shares of the

Company, which are to be received from the said

Company, and which shall be

in the event of the said Dominion Cotton Mills Company



5 Dominion Textile Company, Limited acquiring all the  
share of the said Merchants Cotton Company Limited,  
so that the real estate of the said company can be  
transferred to the Dominion Textile Company, Limited,  
be secured by a Deed of Mortgage which will be  
registered against the real estate of the said  
Merchants Cotton Company, Limited, and will rank  
immediately after \$162,000.00 of that Company;  
10 presently outstanding Bonds which will be redeemed  
by the said Dominion Textile Company, Limited, at  
maturity with a like amount of bonds included  
in and forming part of the series.

15 Series C. shall consist of Bonds to the face  
value of \$1,000,000.00 redeemable at any time  
at a premium of 5%. Of this series the said Syndicate  
shall be entitled to receive Bonds to the face  
value of \$969,250.00, which bonds shall be secured by  
20 the deposit with the Trustee of all the shares of  
the Montmorency Cotton Mills Company, which are  
to be acquired from the said Syndicate under this  
offer, and which bonds shall, in the event of the said  
Dominion Textile Company Limited, acquiring all the  
25 shares of the said Montmorency Cotton Mills Company  
so that the real estate, plant, machinery and  
water privileges of the said Company can be  
transferred to the Dominion Textile Company, Limited,  
be secured by a Deed of Mortgage and Hypothec to be  
30 executed and registered in so far as the same can  
be legally done against such real estate, plant,

... company, limited regarding all the  
...  
... that the real estate of the said company can be  
transferred to the Dominion Textile Company, limited  
be secured by a deed of mortgage which will be  
registered against the real estate of the said  
Dominion Textile Company, limited, and will rank  
immediately after \$125,000.00 of that company;  
presently outstanding bonds which will be redeemed  
by the said Dominion Textile Company, limited, at  
maturity with a like amount of bonds issued  
in and forming part of the series.

... value of \$1,000,000.00 redeemable at any time  
at a premium of 5%. Of this series the said company  
shall be entitled to receive bonds to the face  
value of \$500,000.00, which bonds shall be secured  
the company with the interest of all the shares of  
the Dominion Textile Company, limited, and  
to be acquired from the said company under this  
other, and which bonds shall, in the event of the  
shares of the said Dominion Textile Company,  
...  
...  
...  
...  
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Eversfield,

machinery, and water privileges of the said  
Montgomery Cotton Mills Company so that the same  
will rank immediately after an amount of \$550,000.00  
of existing bonded indebtedness, which may be  
renewed or replaced by a new issue of Bonds with the  
like priority of security.

Series D: shall consist of Bonds to the face  
value of \$450,000.00, redeemable at any time at a  
premium of 5%. Of this series the said  
Syndicate shall be entitled to receive bonds to the  
face value of \$236,750.00, which bonds shall be  
secured by the deposit with the Trustee of all the  
shares of the Colonial Bleaching and Printing  
Company Limited, which are to be acquired  
from the said Syndicate under this offer, and which  
Bonds shall, in the event of the said Dominion  
Textile Company Limited, acquiring all the shares  
of the said Colonial Bleaching and Printing Company  
Limited, so that all the assets of the said Company  
can be transferred to the Dominion Textile  
Company, Limited, be secured by a Deed of mortgage  
and Hypothec against the property of the said  
Colonial Bleaching and Printing Company Limited.

In this series of bonds (Series D) provision  
is made for sufficient bonds to provide for the  
redemption and cancellation of the present out-  
standing bond issue of the said Colonial Bleaching  
and Printing Company, Limited, which presently

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5 outstanding bonds were subject to redemption  
at 5% premium at any time and amount to the sum  
of \$150,000.00, in order that the series of bonds  
shall, so soon as all the assets can be transferred  
to the said Dominion Textile Company, Limited,  
constitute first mortgage bonds against the  
property of the said Colonial Bleaching and Printing  
Company, Limited. The present officers of the  
10 said Colonial Bleaching and Printing Company Limited  
will arrange for the exchange of the new bonds for  
the old but the Dominion Textile Company, Limited  
will pay said premium of 5% on the old bonds.

15 So soon as all the shares in any of the afore-  
said four cotton companies have been acquired by  
the said Dominion Textile Company, Limited, and the  
series of bonds applicable to any of the said com-  
panies shall have been secured by a Deed of Mortgage  
and Hypothec registered against the property of such  
20 company as hereinabove provided, then the said  
Trustee will release and deliver to the said  
Dominion Textile Company, Limited, or its nominee,  
the shares theretofore and then held by the said Trust-  
25 ee as security for such series of Bonds.

30 So long as the shares of any of the said four  
cotton companies shall remain in the hands of the  
said Trustee as security for any of the said series of  
bonds, the said Trustee shall be bound or demand  
to give an irrevocable proxy to the nominee, or

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nonimees, of the said Dominion Textile Company, Limited, to vote on such shares at any and all meetings of shareholders of the said four cotton companies, or any of them.

After due consideration of the foregoing offer, it was moved by Mr. Grier, seconded by Mr. Holt and unanimously resolved:

That the same be accepted by this Company and that the Directors of this Company be and they are hereby authorized to do all matters and things and to cause to be executed all deeds and documents which they may deem necessary or expedient, to carry the said offer into effect, including the appointment of the Trustee to the said bond issue, and further that all such deeds, documents and instruments which may require to be signed by this Company be so signed by the President, or a Vice-President and the Secretary Treasurer of this Company for and on behalf of this Company, but that the transfer of the shares of the said four cotton companies to this Company be accepted by the Secretary. Treasurer of this Company alone on behalf of this Company, and he shall thereupon forthwith retransfer all such shares in the said four cotton companies to the Royal Trust Company to be held by them as trustees as security for the bonds to be issued by this Company."

limited, to vote on such shares as any and all  
members of shareholders of the said four cotton  
companies, or any of them.

After due consideration of the foregoing

Mr. Holt and unanimously resolved:

That the same be accepted by this Company

and that the Directors of this Company do and they  
are hereby authorized to do all matters and things  
and to cause to be executed all deeds and docu-

ments which they may deem necessary or expedient,  
to carry the said offer into effect, including

the appointment of the trustee to the said bond  
issue, and further that all such deeds, documents

and instruments which may require to be signed

by this Company be so signed by the President,

or a Vice-President and the Secretary Treasurer

of this Company for and on behalf of this Company,

but that the transfer of the shares of the said

four cotton companies to this Company be accepted

by the Secretary. Treasurer of this Company

acting on behalf of this Company, and he shall

thereupon forthwith retransfer all such shares

to the said four cotton companies as they may

be entitled to receive of the said four cotton

companies, and he shall cause to be entered in the



-- On resuming:

BY MR. McRUER: Q. Mr. Eversfield, this Minute Book I show you is the first Minute Book, is it not, of the Dominion Textile Company? A. The first shareholders Minute book, yes.

Q. Well, we will give our attention to that. The Company was incorporated by charter issued under The Dominion Companies Act, dated January 4th, 1905. The capital of the Company was \$10,000,000 divided into 100,000 shares of \$100 each, subject to the increase of such capital stock under the provisions of the said Act, of which capital stock 25,000 shares, shall be preferred as to capital and as to dividends, and which dividends shall be at the rate of 7% per annum, and shall be non-cumulative, the remaining 75,000 shares to be common stock. Then on page 15 is what we have already read into the record.

Then on page 21, there is a special general meeting of the shareholders, and three bond issues A, B, C and D, amounting in all to \$3,370,500.00 were authorized.

Then we come to the Annual Meeting of the Dominion Textile Company held on the 31st day of May, 1906. Yes, that would be the first Annual Meeting, reading from page 34:

"Your Board have much pleasure in stating that the results of the year have been very satisfactory when it is considered that in taking

— in the

to Mr. McArthur: Mr. McArthur, this minute

of the Dominion Textile Company?

— in the

well, we will give our attention to that.

The company was incorporated by charter passed under

The Dominion Companies Act, dated January 4th, 1908.

The capital of the company was \$10,000,000 divided

into 100,000 shares of \$100 each, subject to the

increase of each capital stock under the provisions

of the said act, of which capital stock \$5,000,000 shares

shall be preferred as to capital and as to dividends,

and which dividends shall be at the rate of 7%

per annum, and shall be non-cumulative, the remaining

\$5,000,000 shares to be common stock. Then on page 15

is what we have already read into the record.

Then on page 21, there is a special general

meeting of the shareholders, and there bond issues

A, B, C and D, amounting in all to \$5,370,500.00

were authorized.

Then we come to the Annual Meeting of the Dominion

Textile Company held on the 31st day of May, 1908.

Now, that would be the first Annual Meeting, resulting

from the

— in the

that the results of the year have been

— in the



over the business of the four subsidiary companies it was necessary to go through a process of re-organization which took some months to complete and during which time a quantity of goods had to be disposed of which each of the companies had accumulated.

During the past year it has been our aim to manufacture different lines of goods at those mills which are best adapted to produce the same, thereby getting longer runs of cloth and also saving on the constant changing of looms which was necessary when the subsidiary companies were competing with one another.

We have also endeavoured to improve the qualities and finishes of many of the lines which we manufacture, and have also added a number of lines of goods which up to the present have been nearly all imported. The sales in these lines have increased our total output considerably, and we hope during the coming year to introduce additional lines to our ranges.

Your directors feel that it will be in the interests of this company not only to constantly aim to improve the quality of our present products, but to keep up to date by closely following all improvements which are going on in the cotton business of other countries, and by being able to place on the market quickly





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Eversfield,

new lines of goods. In order to follow out this policy, it will be necessary for your directors to ask you from time to time for considerable sums in order to keep up the efficiency of our various plants. We consider that this policy is the only wise one to be pursued, as unless improvements are kept constantly going on the plants will soon become antiquated.

Although during the past season business has been very accurate and the company has had plenty of orders to keep their mills running full, the raw cotton market has ruled very high for the past nine months and during all that time we have had to make our heaviest purchases, so that it has been necessary to get a corresponding advance in the price of manufactured goods. This has been difficult to obtain on many lines, as the buyers and public generally have not realised that an immense advance there has been in the price of raw material. This day last year raw cotton was selling at 8½ cents and to-day it is selling at 11.90 or a difference of almost 3½ cents per pound. This means that your Company is paying about \$4,000 more a day for raw material than they were a year ago.

THE COMMISSIONER: Pardon me, what did you say there?

THE SECRETARY: This means that your Company is paying about \$4,000 more a day for raw material

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Hversfield,

than they were a year ago.

THE COMMISSIONER: I did not understand just what you said.

5 THE SECRETARY: "The sales for the year amount to \$3,131,004.95 being an increase over the sales of the four companies combined over the previous year of \$1,475,249.

10 The Company has now in operation 8,226 looms, 368,826 spindles, and employs about 6,000 hands.

15 It was deemed advisable by your directors, in order to operate the mills of the Dominion Mills Co. and the Merchants Cotton Co. with your own, that it would be in the interest of all concerned to lease their mills and properties. Therefore meetings of these two companies were held on the 20 10th November last, at which meetings leases were passed for a period of 21 years from April 1st, 1905. Shortly after the leases had been completed, offers were received from their directors to dispose of the active assets and active liabilities of these two companies, which offers were accepted by your directors, and dealt with in the following manner:

25 The active assets of the Dominion Cotton Mills Co., amounting to \$2,213,826.88 were paid for as follows: By the assumption by your Company in 30

then they were a year ago.

THE COMMISSIONER: I did not understand just

what you said.

\$2,181,000.00 being an increase over the sales

of the four companies combined over the previous

year of \$1,475,242.

The Company has now in operation 8,222

looms, 822,822 spindles, and employs about 6,000

It has been estimated that the Dominion Mill

in order to operate the mills of the Dominion Mill

Co. and the Merchants Co. on 60. with your own,

that it would be in the interest of all concerned

to lease their mills and properties. Therefore

meetings of these two companies were held on the

10th November last, at which meeting leases were

passed for a period of 21 years from April 1st,

1905. Shortly after the leases had been completed

offers were received from their directors to

dispose of the active assets and active liabilities

of these two companies, which offers were accepted

by your directors, and dealt with in the following

Summary:

The active assets of the Dominion Cotton Mills

Co., amounting to \$2,213,822.00 were paid for as

Full: The assumption by your Company is



the discharge of the Dominion Cotton Mills Co. of the active liabilities of their company, amounting to \$1,849,177.68, leaving a balance of \$284,639.29 for which we gave them the demand note of our company bearing interest payable semi-annually. Your Directors also assumed the quick liabilities of the Merchants Company, amounting to \$1,222,055.61, and accepted in partial payment the quick assets of that company amounting to \$1,138,432.71 and for the deficit between the active assets and the active liabilities, they have accepted the demand note of the Merchants Company for \$83,622.90, with interest payable semi-annually.

The profits for the year after paying current interest on loans and all mill charges and writing off the large sum of \$191,119.60 for repairs and betterments to the Mills, amount to \$918,810.38 out of this amount has been paid the following: Interest on Bonds - ~~\$161~~ \$246,514.02, Dividends on Preferred stock \$161,967.75. Rent Dominion Cotton Mills Co. \$316,324.27. Rent of Merchants Cotton Company \$63,945.08. Calling in Colonial Bonds \$2350.00 and after providing for all bad and doubtful debts there is left the sum of \$117,594.85, which with the amount we have received since closing our books on the 31st March, as a dividend on the

the discharge of the Dominion Cotton Mills Co.

of the active liabilities of their company,

amounting to \$1,844,177.00, leaving a balance of

\$1,844,177.00, less the balance of the

of our company bearing interest payable

semi-annually. Your Directors also received the

quick liabilities of the Merchants Company,

amounting to \$1,834,000.00, and accepted in

partial payment the quick assets of that company

amounting to \$1,138,488.71 and for the deficit

between the active assets and the active li-

abilities, they have accepted the demand note

of the Merchants Company for \$45,000.00, with

interest payable semi-annually.

The profits for the year after paying

current interest on bonds and all other charges

and writing off the large sum of \$101,110.00

for repairs and betterments to the mills, amount

to \$18,810.00 out of this amount has been

paid the following: Interest on bonds -

\$12,340.00, Dividends on preferred stock

\$101,937.70. Paid Dominion Cotton Mills Co.

\$310,894.25. Cost of Merchants Cotton Company

\$1,844,177.00. The balance of the

and after providing for all bad and doubtful debt

there is left the sum of \$17,844.00, which with

the amount of the

is the sum of \$17,844.00, which with

the amount of the

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Eversfield,

shares of the Dominion Cotton Mills Co. viz:  
\$67,935.00 and dividend received from the Merchants  
Cotton Co. viz:- \$51,334.50 will increase the  
amount at the credit of Profit and Loss account  
to the sum of \$236,914.35."

MR. McRUER: Mr. Gordon, have you got copies  
of all the annual reports from the inception of the  
Company.

MR. GORDON: I think we have, sir.

MR. McRUER: Well then, it will not be necessary  
for us to copy these into the record. Page 42:

"The Chairman then stated: -

You have heard the report, the financial  
statement, and the auditors report on that  
statement, read. At this our first meeting I  
think we may congratulate ourselves that we  
are in such a good position. Nothing has been  
charged to capital account. We have made quite  
a number of improvements in the mills, and  
these have been taken off the running expenses  
account, as probably is the proper way to do  
in a case of this kind but it is not always done,  
and in fact cannot always be done.

We have spent nearly \$200,000 for betterments  
and repairs, which is practically the same thing."

Then page 52, the Annual Meeting, May 30th, 1907:

"The net profits for the year after paying  
current interest on loans and all mill charges,

2535

shares of the Dominion Cotton Mills Co. viz:

\$27,750.00 and \$10,000.00 received from the issue

Cotton Co. viz: - \$51,334.80 will increase the

amount at the credit of Profit and Loss account

to the sum of \$56,914.35.

MR. HODGSON: Mr. Gordon, have you got copies

of all the annual reports from the inception of the

company.

MR. GORDON: I think we have, sir.

MR. HODGSON: Well then, it will not be necessary

for us to copy these into the record. Page 42:

"The Chairman then stated: -

You have heard the report, the financial

statement, and the auditors report on that

statement, read. At this our first meeting I

think we may congratulate ourselves that we

are in such a good position. Nothing has been

charged to capital account. We have made quite

a number of improvements in the mills, and

there have been taken off the running expenses

account, as probably is the proper way to do

in a case of this kind but it is not always done,

and in fact cannot always be done.

We have spent nearly \$200,000 for betterments

and repairs, which is practically the same thing."

MR. HODGSON: The second meeting, Mr. Gordon, I think

you will find in the report of the first meeting

where it is stated that the first meeting was held



and writing off the large sum of \$205,825.82 for repairs and betterments to the mills amount to \$393,518.30. Out of this amount has been paid the following:

Interest on bonds \$207,792.84

Dividends on on  
preferred stock, 130,334.81

Rental, Dom. Cotton  
Mills Co. 320,294.04

Rental, Merchants  
Cotton Co. 65,057.01

And after providing for all bad and doubtful debts there is left the sum of \$166,679.70, which with the amounts we have received since closing our books on the 31st March for dividend on the shares of the Dominion Cotton Mills Co., \$68,542.50, and dividend from the Merchants Cotton Co. \$51,705.50, will increase the surplus of the year to \$286,927.70, and leave an amount at the credit of Profit and Loss account, \$523,842.05 which in the opinion of your directors ought to be considered satisfactory.

In view of the showing made for the past two years and the bright outlook for the present year, your Directors have decided to declare a dividend of one and a quarter per cent. on the common stock of the Company. This dividend is payable on the 1st and 2nd July to shareholders of record on the 15th June.

During the past year business has been very good, and we have sufficient orders to keep the mills running full. We have also enough orders on hand

for repairs and alterations to the mill amounting to \$200,000.00. Out of this amount has been paid the following:

Interest on bonds \$207,732.84

Dividends on on preferred stock, 150,354.81

General, Merchants Cotton Mills Co. 280,324.04

General, Merchants Cotton Co. 68,087.61

and after providing for all paid and doubtful debts there is left the sum of \$186,099.70, which with the amounts we have received since closing our books on the 31st March for dividend on the shares of the Dominion Cotton Mills Co., \$50,842.50, and dividend from the Merchants Cotton Co. \$51,705.40, will increase the surplus of the year to \$388,927.70 and leave an amount at the credit of profit and loss account, \$388,927.70 which in the opinion of your

directors ought to be considered satisfactory. In view of the showing made for the past two years and the bright outlook for the present year, your directors have decided to declare a dividend of one and a quarter per cent. on the common stock of the Company. This dividend is payable on the 1st July to shareholders of record on the 1st June.

During the past year the Company has been very successful and has made a large profit. The directors have decided to declare a dividend of one and a quarter per cent. on the common stock of the Company. This dividend is payable on the 1st July to shareholders of record on the 1st June.

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5860

Eversfield,

to keep all the machinery busy until next fall.

5 The sales for the year amount to \$8,507,013.81 being an increase in value over the previous year of \$376,008.86. At the present time the stocks of manufactured goods on hand are lower than they have ever been before in the history of the four subsidiary companies.

10 The raw cotton purchased for the mills has been secured at a very fair average price and we have a sufficient quantity on hand to manufacture all the goods for all the orders we have taken.

15 The Company has now in operation 8,048 looms, 368,905 spindles, and employs about 6,000 hands, and paid in wages last year over one and three quarter million dollars, being a large advance over the year previous, and on the first of April last there was a further large increase of wages made to the employees.

20 The mills of the Company have been inspected frequently during the year by the General Manager and the Assistant managers, who report them as having been kept up to a high standard of excellence."

25 Then page 57:

"The Chairman then stated:

30 "Gentlemen: You have heard the report of your directors which they submit to you at this time. I might say that in making up the statement for this year, we have taken in the stocks of cotton,

to keep all the machinery busy until next fall.  
The sales for the year amount to \$8,307,183.21  
being an increase in value over the previous year  
year of \$876,000.00. At the present time the  
stocks of manufactured goods on hand are lower than  
they have ever been before in the history of the  
The new cotton purchased for the mills has  
been secured at a very fair average price and we  
have a sufficient quantity on hand to manufacture  
all the goods for all the orders we have taken.  
The company has now in operation 8,048 looms,  
308,700 spindles, and employs about 4,000 hands,  
and paid in wages last year over one and three  
quarters million dollars, being a large increase  
over the year previous, and on the first of April  
last there was a further large increase of wages  
made to the employees.  
The mills of the company have been inspected  
frequently during the year by the general manager  
and the assistant managers, who report them as  
having been kept up to a high standard of excellence.  
The Chairman then stated:  
The Chairman then stated:  
The Chairman then stated:  
The Chairman then stated:  
The Chairman then stated:

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5861 ... Eversfield,

manufactured and unmanufactured goods, on a  
very conservative basis. We feel that while  
these have been very prosperous times for the  
cotton business, the mills have had to pass through  
other times, as you know, and these times will  
doubtless come again and perhaps before very long.  
And so I may state that things have been taken  
in that way, so that whenever the demand at home  
and other places to a certain extent slackens off,  
we will be prepared for it. One reason for this,  
among other things is, that a great many of the  
mills in England have been enlarged and new mills  
built, and as we have a very low tariff in Canada,  
and compared with other countries, higher wages  
(we have had to raise the wages once or twice which  
we do not complain of) taking these things into  
consideration we have as I say acted on a very  
conservative basis. I think we ought to be  
prepared for these times, as we must not expect  
that times like the present in the cotton business  
are going to continue forever. In regard to the  
mills, they are in good shape.

In regard to the bonds and preferred stock  
I would say I would consider them absolutely A-K  
and none of you should part with them unless you  
get what you want for them."

Page 63: Annual General Meeting, May 27th, 1908:

"The net profit for the year after paying

very conservative basis. To feel that while these have been very prosperous times for the cotton business, the mills have had to pass through other times, as you know, and these times will doubtless come again and perhaps before very long. And so I may state that things have been taken in that way, so that whenever the demand at home and other places to a certain extent slackens off, we will be prepared for it. One reason for this among other things is, that a great many of the mills in England have been enlarged and new mills built, and as we have a very low tariff in Canada, and compared with other countries, lower wages (we have had to raise the wages once or twice which we do not complain of) taking these things into consideration we have as I say acted on a very conservative basis. I think we ought to be prepared for these times, as we must not expect that times like the present in the cotton business are going to continue forever. In regard to the mills, I have not much to say.

In regard to the bonds and preferred stock I would say I would consider them absolutely A-1.



current interest on loans, all mill charges,  
and writing off the large sum of \$218,186.96  
for the repairs and betterments, and \$235,340.40  
for new plant and machinery, amount to \$900,805.89,  
to these profits we have to add \$68,635.00 being  
a dividend of  $2\frac{1}{2}$  per cent. on 27,454 shares of  
Dominion Cotton Mills stock and \$51,705.50 a  
dividend of  $3\frac{1}{2}$  per cent. on 14,773 shares of  
Merchants Cotton Co. stock, making in all,  
\$1,021,146.39. Out of this amount has been paid  
the following:

Interest on bonds, \$204,895.00

Dividend on preferred stock, 130,067.00

Dividend on Com. stock, 250,000.00

Rental, Dom. Cotton Mills Co. 322,678.77

" Merchants " Co. 65,277.74

and after allowing for bad debts there is left  
a surplus for the year of \$44,493.36. This will  
bring the amount of credit of Profit and Loss  
account to \$568,338.41 against \$523,842.05 last  
year. This in the opinion of your directors  
is very satisfactory considering the large falling  
off there has been in trade since last Fall.

Sales for the year amount to \$8,045,497.16  
compared with \$8,507,123.81 last year, a decrease  
of \$461,516.65.

The raw cotton purchased for the mills has  
been secured at a very fair price.

current interest on loans, all will charges,

and writing off the large sum of \$118,188.25

for the repairs and betterments, and \$188,340.4

for new plant and machinery, amount to \$100,800

to these profits we have to add \$100,800.00

a dividend of 14 per cent. on 27,454 shares of

Division Cotton Mills stock and \$21,705.50 a

dividend of 34 per cent. on 14,773 shares of

Division Cotton Mills stock, making in all,

\$1,011,146.39. Out of this amount has been paid

the following:

Investment on bonds, \$804,935.00

dividend on preferred stock, 130,000.00

Dividend on com. stock, 220,000.00

and after allowing for bad debts there is left

a surplus for the year of \$44,415.45. This will

bring the amount of credit of Profit and Loss

to \$44,415.45. This is the opinion of your directors

and after allowing for bad debts there is left

a surplus for the year of \$44,415.45. This will

bring the amount of credit of Profit and Loss

to \$44,415.45. This is the opinion of your directors

and after allowing for bad debts there is left

a surplus for the year of \$44,415.45. This will

bring the amount of credit of Profit and Loss

to \$44,415.45. This is the opinion of your directors

and after allowing for bad debts there is left

a surplus for the year of \$44,415.45. This will

bring the amount of credit of Profit and Loss



5863

Eversfield,

5 The company has in operation 7,965 looms, 377,888 spindles, and employs over 6,000 hands, and paid out in wages last year almost two million dollars, being an advance of \$200,000 over the year previous.

10 In order to keep the mills of the Company thoroughly up to date, the sum of \$850,472.78 has been spent during the past three years for repairs, improvement to plants, and new machinery. All of this large amount has been charged to working expenses, and no increase has been made to the fixed assets.

15 The Company has enjoyed several prosperous years since its organization without feeling the effect of foreign competition, owing to the good times prevailing abroad which kept all the mills busy supplying their own requirements. At the present time, however, owing to the business depression which set in last fall, and the very low tariff on cotton importations from Great Britain, which is only 15% per cent on greys and 17½% on bleached goods, compared with duties ranging from 40 to 50% in the United States, we are beginning to feel the effect of this competition, and it has necessitated our being compelled to operate the mills on short time and also to reduce wages.

30 Your Directors hope, however, with the prospect

The company has in operation 7,300 looms,  
377,888 spindles, and employs over 6,000 hands  
and paid out in wages last year almost two  
million dollars, being an advance of \$100,000  
over the year previous.

In order to keep the mills of the Company  
thoroughly up to date, the sum of \$850,478.75  
has been spent during the past three years for  
repairs, improvement to plants, and new  
machinery. All of this large amount has been  
charged to working expenses, and no increase  
has been made to the fixed assets.

The Company has enjoyed several prosperous  
years since the introduction of the  
the effect of foreign competition, owing to the  
good times prevailing abroad which kept all  
the mills very busy and profitable.  
At the present time, however, owing to the  
business depression which set in last fall,  
and the very low tariff on cotton importations  
from Great Britain, which is only 10¢ per cent  
on greys and 15¢ on bleached goods, compared  
with duties ranging from 40 to 60¢ in the  
United States, we are beginning to feel the  
effect of this competition, and it has necessi-

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of good crops this year that business will soon resume its normal condition."

THE CHAIRMAN: That was the meeting of what date again, Mr. McRuer?

MR. McRUER: May 27th, 1908.

Page 68:

"The Chairman then made the following remarks:

Gentlemen: You have all heard the annual statement, the financial statement and the auditors report and certificate, which are now before you. If there are any questions that any one here would like to ask, I would be very happy if possible to answer them. We have made matters as clear as possible in the report and statements which have been presented to you, and they show just what is being done.

I would not like to sit down without alluding to one matter, and that is the strike. You have seen this mentioned in the papers, and it is affecting some of our mills at the present time. While things were very good in the last two years the wages of our employees were raised considerably. Things have become since last October especially, as you are all aware, not so prosperous. The volume of business has been reduced, and prices have been considerably reduced, and the company found it was impossible to continue to pay the same high prices as they had been paying in the good years.

of good work this year that I am  
not a member of the same society.  
The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.

The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.  
The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.  
The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.

I would like to see all the  
other members of the Council.  
The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.  
The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.  
The Council has not yet decided  
on the subject, I am not  
sure of the result, but I  
am sure of the fact.

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5865

Eversfield,

I may say that we expected the men would see this position of affairs, and that as they willingly took the advance so they would willingly take the slight reduction that absolutely had to be made.

But while a great many of them were quite willing to take it, they were advised by their leaders not to, and they have not agreed to do it yet. I might say that in the United States, where they have some experience with unions, the reductions have been accepted, and the reductions there amount to some 17 or 18 per cent. since a year ago. I would not like anyone here to think we were acting arbitrarily with the men, because it is the opposite to that. We would very much like to keep up the present rate of wages to them, but it is absolutely impossible for us to do so."

Page 74, Annual meeting, May 27th, 1909:

"The net profits for the year after paying current interest on loans, all mill charges, and writing off the usual amount for the repairs and betterments to the mills, amounts to \$678,016.64. To these profits we have added \$68,390.00 being a dividend of 2½% on 27,356 shares of the Dominion Cotton Mills Co., \$51,705.50 being a dividend of 3½ per cent. on 14,773 shares of Merchants Cotton Co. stock, and \$3,000 received as bonus from the City of St. Henri. We have also added the sum of \$203,177.36 profit derived from the sales of

I may say that we expected the man would see this  
position of affairs, and that as they willingly  
took the advance so they would willingly take the  
slight reduction that absolutely had to be made.  
But while a great many of them were quite willing  
take it, they were advised by their leaders not to  
and they have not agreed to do it yet. I might  
say that in the United States, where they have not  
experience with unions, the same thing have been  
accepted, and the reduction was not so much to some  
14 or 15 per cent, since a year ago. I would not  
like anyone here to think we were acting arbitrarily  
with the men, because it is the opposite to that.  
We would very much like to keep up the present rate  
of wages to them, but it is absolutely impossible  
for us to do so.  
Page 74, Annual Meeting, May 1933, 1933:  
"The net profits for the year after paying  
current interest on loans, all mill charges,  
and writing off the usual amount for the repairs  
and betterments to the mill, amounts to \$375,316.48.  
No these profits we have added \$25,000 being a  
dividend of 15% on \$1,735,000 shares of the Dominion  
Mill Co., \$260,250.00 being a dividend of  
5% per cent. on 14,775 shares of Minnesota Cotton  
Co. stock, and \$25,000 received as bonus from the  
City of St. Henri. We have also added the sum  
of \$200,000.00 received from the sale of

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5866

Eversfield,

raw cotton, making in all \$1,004,289.50.

Out of this amount has been paid the following:

Interest on bonds, \$203,896.50

Dividend on preferred stock, 130,068.75

Dividend on Common stock, 250,000.00

Rental on Dom. Cotton Mills Co. 325,503.53

" " on Merchants " 65,491.68

Law Center, making in all \$1,004,333.50.

Out of this amount has been paid the following:

Dividend on preferred stock, 100,000 shares, 5%

88.104,30 " " 2 JAN 20 1961 110 "



5867

Eversfield,

THE COMMISSIONER: What was the rate of dividend on the common stock?

MR. GORDON: 5 per cent.

MR. McRUER: \$250,000 a year.

THE COMMISSIONER: On how much?

MR. McRUER: On the 50,000 shares, my lord.

THE COMMISSIONER: Yes, 5 per cent.

MR. McRUER: 50 per cent. on the amount invested.

MR. BALLANTYNE: Well, that is not quite agreed to yet.

THE COMMISSIONER: Mr. McRuér, you said just now 50 per cent. on the amount invested.

MR. McRUER: Well, there were \$500,000 paid for the common stock. They paid \$250,000 a year dividends, after the first dividend was declared. Of course, later on it goes up from that.

THE COMMISSIONER: What is that?

MR. McRUER: It gets up higher than that later on, but we start modestly with \$250,000.

MR. GEOFFRION: You say 50 per cent. on \$500,000.

THE COMMISSIONER: I don't understand you, Mr. Geoffrion, you do not speak loudly enough.

MR. GEOFFRION: My learned friend suggested it was 50 per cent. the first year.

THE COMMISSIONER: Yes, that is a dividend of 5% or 50 per cent. on the capital invested.

MR. GEOFFRION: \$250,000 on the assumption that \$500,000 was paid for this stock.

Q

THE COURT: What was the rate of dividend

on the common stock?

A. 5 per cent.

Q. And that was for the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And that was the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And

that was the year, is that right?

A. Yes, that was the year.

Q. And that was the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And that was the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And that was the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And that was the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And that was the year

1910-1911, is that right?

A. Yes, that was the year.

Q. And that was the year



Eversfield,

MR. MORUER: Yes, that is all.

THE COMMISSIONER: Well, is that assumption wrong?

MR. GEOFFRION: The whole transaction, the whole property was turned over for a million dollars.

MR. MORUER: No, no. They got all the preferred stock that they were required to hand over to the shareholders of those other companies; they got all the bonds they were required to hand over; they paid \$500,000 for the preferred stock and got \$500,000 worth of preferred stock; they put in an extra \$500,000 --

MR. GEOFFRION: They simply purchased this in their own name, but that is a matter of argument later on. They secured the control of the four competing companies at a certain price and sold it at another price.

MR. MORUER: They did not take the slightest responsibility in purchasing in their own name, or anything of that sort; they turned these into the Trust Company, and when they got them into the Trust Company so that they were able to carry out the transaction then they issue the preferred stock, -- they simply went through the operation of gathering the control of those four companies, and when they had that control they turned over that control at a price.

MR. GEOFFRION: Well, that is a matter of argument, and if we are going to comment on that

less, that is all.

THE OTHER SIDE: Well, is that assumption

that the property was turned over for a million dollars

whole property was turned over for a million dollars

THE OTHER SIDE: No, no. They got all the

books that they were required to hand over to the

shareholders of those other companies; they got

the books they were required to hand over; they

had, too for the preferred stock and for the

books of preferred stock; they put in an order

for the books.

THE OTHER SIDE: They simply furnished this

in their own name, but that is a matter of course

THE OTHER SIDE: They secured the control of the

collecting companies at a certain price and sold

THE OTHER SIDE: They did not take the

responsibility in purchasing in their own name, or

any of that sort; they turned these into the

trust company, and when they got them into the

trust company so that they were able to carry out

the transaction when they lease the preferred stock

they simply want to keep the control of the

the control of those new companies, and when they

had that control they turned over that control to

THE OTHER SIDE: They did not take the

responsibility in purchasing in their own name, or

any of that sort; they turned these into the

trust company, and when they got them into the

trust company so that they were able to carry out



5869

Eversfield,

then we will argue that now.

THE COMMISSIONER: Mr. McRuer made that inter-  
jection there and I called attention to it.

5 MR. GEOFFRION: But where we differ is this,  
my lord: I say it was one transaction whereby these  
gentlemen got the control of four different companies  
and turned it over to a company at a certain profit.

10 THE COMMISSIONER: Well, we will adjourn that  
part of it until later. In the meantime we will  
proceed.

MR. McRUE: In the meantime they got \$250,000  
dividends, in 1909.

15 MR. GEOFFRION: Well---

THE COMMISSIONER: That is so, is it not, Mr.  
Geoffrion?

MR. GEOFFRION: With that I have nothing to say,  
but if my learned friend comments I will comment also.

20 MR. McRUE: Continuing at page 75:

"---and after allowing for all bad and  
doubtful debts there is left a surplus for the  
year of \$8,933.37. This will bring the amount  
at the credit of profit and loss account to  
25 \$577,268.78 against \$368,335.41 last year.

This your directors think very satisfactory  
considering the large falling off there has been  
in trade during the year 1908.

30 Sales for the year amount to \$6,153,626.16,  
compared with \$8,045,497.16 last year, a decrease

THE GOVERNMENT: Mr. Speaker, I called attention to it.  
OBJECTION: But where is the difference?  
I say it was one transaction whereby the  
Government got the control of four different companies  
and turned it over to a company as a certain amount  
of money. Well, he will not say that  
in the meantime we will  
be paid.

MR. SPEAKER: In the meantime they got \$250,000  
dividend, in 1902.

THE GOVERNMENT: That is not, is it not, Mr.  
Speaker?

MR. SPEAKER: I have nothing to say.  
But if my learned friend comments I will comment also.  
MR. SPEAKER: Commenting on page 75:

"and after allowing for all and  
doubtful debts there is left a surplus for the  
year of \$3,258,37. This will bring the amount  
at the credit of profits and losses account to  
\$3,258,37 against \$303,332.41 last year.

This year's dividend was not distributed  
until the 1st of March 1903. It was then  
paid in full to the shareholders.  
The total amount of dividends paid in 1903 was  
\$3,258,37.



of \$1,891,871.00.

The raw cotton purchased for the mills has been secured at a very fair average price, and we have a sufficient quantity on hand to manufacture the goods for the orders we have taken.

The Company has in operation 7,950 looms, 380,973 spindles, and employs about 5,600 hands, and paid out in wages during the past year over \$1,500,000."

Then page 78, the same meeting:

"The Chairman then stated that the report and financial statements were before the meeting and he moved, seconded by Mr. Gordon, that they be adopted. He further stated that he did not expect to be in the chair to-day, but the President, Mr. Yuile, who is not very well, begs to be excused on account of his health. You have heard the report read and the figures given in the statements. If you have any questions I will be very pleased to answer them if I am able, or if I am not, Mr. Gordon will be pleased to answer them.

One of the shareholders asked if the strike had been settled yet, to which Mr. Gordon replied that it was pretty nearly over. Nearly all of the hands had returned to work at Magog and he was not aware of any other trouble at the present time."

Investment

1920

of \$1,881,871.00.

The two cotton purchased for the mills has been secured at a very fair average price, and we have a sufficient quantity on hand to manufacture the goods for the orders we have

The Company has in operation 7,500 looms, 380,373 spindles, and employs about 5,500 hands and paid out in wages during the past year over \$1,500,000.

Then page 78, the same meeting:

"The Chairman then stated that the report and financial statements were before the meeting and he moved, seconded by Mr. Gordon, that they be adopted. He further stated that he did not expect to be in the chair to-day, but the President, Mr. Yule, who is not very well, gave to be excused on account of his health. You have heard the report read and the figures given in the statements. If you have any questions I will be very pleased to answer them if I am able, or if I am not, Mr. Gordon will be pleased to answer them.

One of the shareholders asked if the strike had been settled yet, to which Mr. Gordon replied that it was pretty nearly over. Nearly all of

The House has returned to work and the strike has been settled.



Page 83, Annual meeting, May 30th, 1910:

"The net profits for the year after paying current interest on loans, all mill charges and writing off the sum of \$323,581.87 for the repairs, improvements and new machinery amount to \$893,311.80. To these profits we have to add \$68,390 being a dividend of  $2\frac{1}{2}\%$  on 27,356 shares of the Dominion Cotton Mills Co. stock, \$51,705.50 being a dividend of  $3\frac{1}{2}\%$  per cent. on 14,773 shares of merchants Cotton Co. stock, and 3,000 received as bonus from the City of St. Henri, making in all \$1,016,407.30. Out of this amount has been paid the following:

|                              |              |
|------------------------------|--------------|
| Interest on bonds,           | \$205,078.77 |
| Dividend preferred stock,    | 130,137.00   |
| " common "                   | 250,000.00   |
| Rental Dom. Cotton Mills Co. | 328,438.73   |
| " Merchants "                | 65,104.12    |

and ~~the~~ after allowing for all bad and doubtful debts there is left a surplus for the year of \$35,732.31. This will bring the amount at the credit of profit and loss account, at the 31st March, 1910, to \$492,905.59, to which we have to add the sum of \$120,270.50 annual dividends for last year on stocks of the Dominion and Merchants Companies received since closing of our books, making the total amount at the credit of

Page 32, Annual Meeting, May 30th, 1910:

"The net profits for the year after pay-  
current interest on loans, all will charges  
and writing off the sum of \$323,381.87 for re-  
pairs, improvements and new machinery amount  
to \$223,311.80. To these profits we have  
to add \$23,350 being a dividend of 2 1/2%  
on 27,355 shares of the Dominion Cotton Mills  
Co. stock, \$21,700.50 being a dividend of  
3 1/2% per cent. on 14,775 shares of Merchants  
Cotton Co. stock, and 5,000 received as bonus  
from the 1st of Jan. 1910 to the 31st of Dec.  
1910, 407.50. Out of this amount has been  
paid the following:

|                               |              |
|-------------------------------|--------------|
| Interest on bonds,            | \$207,028.77 |
| Interest on loans,            | 120,147.50   |
| "                             | 800,000.00   |
| Mental Box, Cotton Mills Co., | 323,408.75   |
| "                             | 10,000.00    |

and after allowing for all paid and doubtful  
debts there is left a surplus for the year of  
\$23,732.31. This will bring the amount at the  
credit of profit and loss account, at the 31st  
March, 1910, to \$223,311.80, to which we have  
to add the sum of \$120,270.50 annual dividends  
for the year of 1910 of the Dominion and  
Mental Box companies which will bring the total  
amount, making the total amount at the credit of

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Eversfield,

profit and loss account \$13,176.09 against  
\$577,268.78 last year. This your directors  
think very satisfactory considering the  
condition of the cotton market and the high  
price we had to pay for raw cotton during the  
last half of our year.

Sales for the year amount to \$8,743,706.20  
compared with \$6,153,626.16 last year, and  
increase of \$2,590,080.04.

The Company has in operation 7,480 looms,  
378,656 spindles, and employs over 6,000 hands,  
and paid out in mill wages during the past five  
years, over 8½ million dollars.

During the past year we have increased  
the capacity of our Magog Print works by the  
addition to it of the printing machinery from  
our Colonial works, thereby centralizing all the  
printing at one place and reducing the cost of  
operating and other expenses."

THE COMMISSIONER: It is half past 12 now. We will  
adjourn and come back at 2 o'clock.

-- The Commission adjourned at 12.30 P.M. to resume  
at 2 P.M.

--

PROPOSED NEW LINE . MAY 1961 87,884,770



5873

Aversfield

-- The Commission resumed at 2 P.M.

5 EL. McRUER: This is the same meeting, May 30th, 1910, page 87:

10 "The Chairman then stated 'gentlemen, you have heard the Annual Report, the Auditor's Report and the Financial Statement, and before moving the adoption of same, I would just like to say on behalf of the directors, that we are very much pleased to be able to present to you as good a statement this year as we have done, because we have passed through a year of unusual difficulties for one reason and another. 15 Early in the year we had the strike on our hands, in last May and June, and we had no sooner got through with it than we got into very high priced cotton, which restricted our business to a considerable extent, and we had difficulty 20 to make sales in the usual volume. However, our customers have now got used to the high prices evidently, because they are coming into the market and buying our goods as usual, and our sales have picked up very much in the last four or five months and I think from the look of things, this year, ought to be a fair year. I have therefore much pleasure in moving the adoption 25 of the report."

30

-- The Commission formed at 1.1.1.

1910, page 87:

"The Chairman first stated 'gentlemen, you have heard the annual report, the Auditor's report and the financial statement, and before moving the adoption of same, I would just like to say on behalf of the directors, that we are very much pleased to be able to present to you as good a statement this year as we have done, because we have passed through a year of unusual difficulties for our business and another fairly in the year we had the strike on our hands in last May and June, and we had no money but through which it then we got into very much worse position, which restricted our business to a considerable extent, and we had difficulty to make sales in the usual volume. However, our customers have now got used to the high price of wheat, because they are coming into the market and buying our wheat as usual, and our sales are picked up very much in the last four or five months and I think from the fact of wheat, this year, ought to be a fair year. I have therefore much pleasure in moving the adoption of the report."

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Page 91, annual meeting, May 29th, 1911:

"The net profit for the year after

paying current interest on loans, all mill

charges and writing off the usual amount

for repairs and betterments to the mills,

amounts to \$989,710.56. To these profits

we have to add \$68,440. being a dividend of

2½% on 27,376 shares of the Dominion Cotton

Mills Company Limited stock and \$51,880.50

being a dividend of 3½% on 14,823 shares

of the Merchants' Cotton Company stock, in

all \$1,110,031.06. Out of this amount has

been paid the following:

Interest on Bonds 214,881.50

Dividend on Preferred Stock 130,137.00

Dividend on Common Stock 250,000.00

Rental of Dominion Cotton Mills  
Co. 332,889.25

Rentals of Merchants' Cotton Co 57,910.79

Rentals of Mount Royal Mill 74,002.50

MR. McRUER: I will have to go to the Directors  
minute book, the Mount Royal Mill has apparently  
been acquired in the meantime.

MR. GORDON: Yes, it was leased from an outside  
company.

"and after allowing for all bad and  
doubtful debts there is left a surplus for  
the year of \$37,105.70. This will bring the

"The net profit for the year after

paying current interest on loans, all at

charges and within the normal amount

for the year was \$1,110,000.

amounts to \$289,710.50. To these profits

we have to add \$28,440. being a dividend

2% on \$1,110,000. The total amount of the

profits is \$1,138,440.50.

of the shareholders' share of the profits

is \$1,110,000. But of this amount

is \$1,110,000. But of this amount

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Everfield

amount of the Credit of Profit and Loss Account on the 31st March, 1911, to \$530,001.29, to which we have to add the sum of \$119,864.50, annual dividends for last year on the stocks of the Dominion and Merchants' companies received since closing our books making the total amount at the credit of Profit and Loss Account \$649,875.79 against \$623,176.09 last year.

This your directors think very satisfactory when taking into consideration the condition of the raw cotton market and the high price we have had to pay for raw cotton during the past year.

Sales for the year amount to \$9,470,270.10 compared with \$8,743,706.20 last year, an increase of \$726,563.90.

The company has in operation 8997 looms and 427,083 spindles and employs over 3500 hands and paid out in mill wages during the past year the sum of \$1,874,612.46.

During the past year your directors after having most carefully considered the matter, decided to lease from the Canadian Cottons Ltd. the Mount Royal Spinning Co. at Cote St. Paul, which mill was manufacturing similar lines of goods as manufactured by our company and on the 1st September, 1910, a lease of this mill for a period of ten years was consummated. As this mill has only recently been erected and equipped

Everfield

2075

amount of the credit of Profit and Loss Account  
on the Balance Sheet, 1911, to \$20,001.29, to  
which we have to add the sum of \$119,464.80,  
annual dividends for last year on the books of  
the Dominion and Merchants' companies received  
since of our books making the total amount  
at the credit of Profit and Loss Account  
\$139,466.09, as follows (Annex, 1911, last year)  
and your dividend being 10% on the  
when taken into consideration the condition of  
the raw cotton market and the high price we have  
had to pay for raw cotton during the last year.  
Sales for the year amount to \$7,470,270.10  
compared with \$6,743,706.40 last year, an in-  
crease of \$726,563.70.  
The company has in operation 8237 looms  
and 427,082 spindles and employs over 6500 hands  
and paid out in mill wages during the last year  
the sum of \$1,874,612.46.  
During the past year your directors after  
having most carefully considered the matter,  
decided to leave from the Canadian Cottons Ltd.  
the Mount Royal Spinning Co. at rate of 10%  
which mill was manufacturing similar lines of  
goods as manufactured by our company and on the  
1st December, 1910, a lease of this mill for a  
period of ten years was consummated. As this  
mill has only recently been erected and equipt

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5876

Eversfield

with most modern machinery your directors feel that they have made a good move in leasing this plant.

5 The company has entered into negotiations with the Corporation of the Town of Magog for the erection there of a dam and electric power plant, which is expected to be completed this fall, and when in operation we will be able to receive at 10 least an additional 1000 H.P. for our Magog mill at a favourable price. This extra power is required owing to the large demand for our 15 print goods, the sales of which have increased from \$1,438,000 for the year 1906 to \$2,270,000 for the past year.

The Colonial plant at St. Henri has 20 been converted into an up to date bleachery and is now turning out a class of goods which are being favourably received by the trade and manufacturers and the demand for which is steadily increasing."

Then page 104, annual meeting, May 27th, 1912:

25 "The net profit for the year after paying current interest on loans, all mill charges and writing off the sum of \$204,078.51 for repairs and betterments to the mills amounts to \$1,137,553.59. To these profits we have to add 30 \$68,460.00 being a dividend of 2 1/2% on 27,384 shares

5876  
1914-15

with most modern machinery your directors feel  
that they have made a good move in leasing this  
plant.

The company has entered into negotiations  
with the Corporation of the Town of Niagara for the  
erection there of a dam and electric power plant  
which is expected to be completed this fall, and  
when in operation we will be able to receive at  
least an additional 1000 H.P. for our Niagara  
will at a favourable price. This extra power  
is required owing to the large demand for our  
pulp and paper, the sales of which have increased  
from \$1,450,000 for the year 1906 to \$2,250,000  
for the past year.

The Colonial plant at St. Henri has  
been converted into an up to date distillery  
and is now turning out a class of goods which  
are being favourably received by the trade and  
manufacturers and the demand for which is steadily  
increasing.

Then page 104, annual meeting, May 27th, 1914:  
"The dividend for the year ending April 30, 1914,  
amounting to \$1.00 per share, will be paid on  
and starting off the sum of \$24,078.51 for re-  
pairs and betterments to the mill amounts to  
\$1,157,555.52. To these profits we have to add  
\$28,400.00 being a dividend of \$25 on \$1,000 shares

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5877

Eversfield

of the Dominion Cotton Mills Co. Ltd. stock  
and \$51,884.00 being a dividend on 14,824 shares  
of the Merchants' Cotton Co. stock, in all  
\$1,257,897.59. Out of this amount has been  
paid the following:

Interest on Bonds \$215,154.91

Dividend on Preferred Stock 130,484.97

Dividend on Common Stock 250,000.00

Rental and Int. Dom. Cotton Co. 345,175.47

Do " " Mer. " " 58,098.88

Rental Mount Royal Spinning Co. 153,429.52

and after allowing for all bad and doubtful  
debts, there is left a surplus for the year of

\$100,224.37. This will bring the amount at  
the credit of Profit and Loss Account on the  
31st of March, 1912, to \$650,235.66, to which  
we have to add \$120,424.00 annual dividends for  
last year on stocks of the Dominion and Merchants  
companies received since closing our books,  
making the total amount at the credit of Profit  
and Loss Account \$750,659.66 against \$650,355.29  
last year.

This in the opinion of your directors is  
very satisfactory considering the high price paid  
for raw cotton used during the first half of  
our year.

The Company has enough orders on hand to  
keep all the mills operating at their full capacity





for some time and have purchased raw cotton to carry us into next season at a fair price.

We have in operation 9,335 looms, 427,533 spindles and employ over 7,500 hands. The mill wages paid out last year amounted to over two million dollars.

Then page 112, annual meeting May 26th, 1930 1913.

"The net profit for the year after paying current interest on loans, all mill charges, and writing off the sum of \$241,482.79 for repairs and betterments to the mills amounts to \$1,230,705.92. To these profits we have to add \$68,840.00 being a dividend of 2½% on 27,416 shares of the Dominion Cotton Mills Co. Ltd. stock and \$51,884.00 being a dividend of 3½% on 14,824 shares of the Merchants' Cotton Co. stock, in all \$1,351,129.72. Out of this amount has been paid the following:

|                                 |              |
|---------------------------------|--------------|
| Interest on Bonds               | \$216,285.83 |
| Dividend on Preferred Stock     | 131,395.75   |
| Do Common Stock                 | 275,000.00   |
| Rental of Dom. Cotton Mills Co. | 359,110.13   |
| Do Merchants " Co.              | 42,324.86    |
| Do Mt. Royal Spinning Co.       | 165,000.00   |

and after allowing for all bad and doubtful debts, there is left a surplus for the year of \$149,723.26. This will bring the amount at

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2378



credit of Profit and Loss Account on the 31st  
March, 1913 to \$779,958.92, to which we have to  
add the sum of \$73,385.00 annual dividends for  
last year on the stock of the Dominion Cotton  
Mills Co. Ltd. received since closing our books,  
making the total amount at the credit of Profit  
and Loss Account \$853,343.92 against \$750,859.66  
last year.

Sales for the year amounted to \$9,824,101.56  
compared with \$9,033,433.64 last year, an increase  
of \$785,637.92.

The Company has in operation 10,237 looms,  
459,786 spindles and employs over 7,500 hands.

During the past year a new mill has been  
erected at Magog adjoining the present cotton  
mill, which contains an additional 500 looms.  
This addition to the plant is required for manu-  
facturing grey cloths for use in the print works  
owing to the increased demand we are now re-  
ceiving for our printed goods. The power to  
operate the machinery in this new addition being  
supplied by the new electric power plant erected  
recently and owned by the town of Magog.

At the Mount Royal Mill an additional 300  
looms have been erected during the past year and  
we now have a total of 1800 looms in full  
operation at this mill.

An extension to the St. Anne's Mill Montreal,





is now being constructed which when completed will increase by 50% the output of that mill.

The directors are pleased to state that all of the shares of the Merchants' Cotton Company have now been turned in and a deed of mortgage and hypothec registered against the property and plant in favour of the Royal Trust Company, Trustee, making the "B" Bonds of the Company a first mortgage bond."

Then page 121, annual meeting May 27th, 1914:

"The net profit for the year after paying current interest on loans, all mill charges and writing off \$294,362.04 for repairs and improvements to the mills amounts to \$1,190,990.42. To these profits we have to add \$73,505.00 being a dividend of 2½% on 29,534 shares of the Dominion Cotton Mills Co. Ltd., in all \$1,270,375.42, out of this amount has been paid the following :

|                                |            |
|--------------------------------|------------|
| Interest on Bonds              | 219,138.75 |
| Dividend on Preferred Stock    | 154,653.75 |
| Dividend on Common Stock       | 300,000.00 |
| Rental of Dom Cotton Mills Co. | 361,422.67 |
| Do Mt. Royal Spinning Co.      | 189,750.00 |

and after allowing for all bad and doubtful debts there is left a surplus for the year of \$49,420.73, this will bring the amount at credit of Profit and Loss Account on the 31st March, 1914 to \$829,379.63, to which we have to add the sum of \$74,250.00

will increase by 50. the output of that mill.

The directors are pleased to state that the progress of the mill is very satisfactory.

and a new mill is being built in the town of...

plant is located at the town of...

first, making the "B" brand of the company a first class brand.

then page 121, annual meeting May 27th, 1914.

"The net profit for the year after paying interest on loans, all mill expenses and...

to these profits we have to add \$10,000.00...

a dividend of \$1.00 on 10,000 shares of the company...

of this amount has been paid the following:

interest on loans \$10,000.00

dividend on common stock \$10,000.00

total of \$20,000.00

and after allowing for all other mill expenses...

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Eversfield

annual dividend for last year on the stock of the Dominion Cotton Mills Co. Ltd. received since closing our books, making the total amount at the credit of Profit and Loss Account \$908,629.63 against \$853,343.92 last year.

This in the opinion of your directors is very satisfactory, considering the high price for raw cotton and the general depression in business which has affected our trade during the latter half of our year.

Sales for the year amount to \$8,899,718.77 compared with \$9,824,101.56 last year.

The Company has in operation 10,074 looms, 463,258 spindles and employs over 7,000 hands." Then page 129, annual meeting May 26th, 1915:

"The net profit for the year after paying current interest on loans, all mill charges and writing off \$204,049.29 for repairs and improvements to the mills amounts to \$1,230,767.67. To these profits we have to add \$74,300.00 being a dividend of 2½% on 29,700 shares of the Dominion Cotton Mills Co. Ltd., in all \$1,305,017. out of this amount has been paid the following:

|                                 |              |
|---------------------------------|--------------|
| Interest on Bonds               | \$219,121.50 |
| Div. on Preferred Stock         | 134,869.87   |
| Do Common Stock                 | 300,000.00   |
| Rental of Dom. Cotton Mills Co. | 366,252.70   |
| Do Mt. Royal Spinning Co.       | 198,000.00   |

1911

annual dividend for the year on the stock of  
the Dominion Cotton Mills Co. Ltd. received  
closing one book, making the total amount of  
the credit of profit and loss account \$2,385.00  
against \$20,000.00 last year.

This in the opinion of your directors is  
very satisfactory, considering the high price  
for raw cotton and the general depression in  
business which has affected our trade during the  
last year.

Before for the year ending 31st Decr, 1911, the  
balance sheet is as follows:

The company has in operation 10,000 spindles,  
400,000 spindles and employs over 7,000 persons.  
From 1909, annual meeting was held, 1911:

"The net profit for the year after paying  
current interest on loans, all mill charges and  
writing off \$204,045.00 for repairs and improve-  
ments to the mill amounts to \$1,100,000.00."

To these profits we have to add \$1,200.00 being  
a dividend of 2 1/2% on \$2,000 shares of the

Dominion Cotton Mills Co. Ltd., in all \$1,200.00  
out of this amount has been paid the following:

Interest on loans \$1,100.00  
Div. on preferred stock \$100.00  
Total \$1,200.00  
Balance of profit and loss account \$1,200.00  
Total \$1,200.00

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and after allowing for all bad and doubtful debts  
there is left a surplus for the year of  
\$52,546.65, this will bring the amount at credit  
of Profit and Loss Account on the 31st March,  
1915, to \$881,928.30, to which we have to add the  
sum of \$74,377.50 annual dividend for last year  
on the stocks of the Dominion Cotton Mills Co. Ltd.  
received since closing our books, making the total  
amount at the credit of Profit and Loss Account  
\$956,303.80 against \$903,629.65 last year.

Sales for the year amounted to \$7,643,674.39  
compared with \$8,899,718.88.

The Company has in operation 10,105 looms  
464,144 spindles and employees over 7,000 hands."

THE COMMISSIONER: Would you give me the names  
of president and directors?

MR. McRUER: The directors elected were -  
G. B. Gordon, Sir Herbert Holt, Hon. Robt. LaMay,  
G. A. Gault, C. R. Mosmer, J. P. Black and John  
Baillie.

THE COMMISSIONER: Who was the president?

MR. McRUER: The president was Mr. Gordon.

Then we go to 1916. Page 142, annual general  
meeting, May 29th, 1916:

"The net profits for the year after paying  
current interest on loans, all mill charges, and  
writing off \$350,155.94 for repairs and im-  
provements to the mills amounts to \$1,481,195.49.

3883

Barrettsfield

and after allowing for all bad and doubtful  
debts in 1931 a surplus of \$100,000.00  
was available for distribution. This will bring the amount of  
of profit and loss account on the 31st of  
1931, to \$191,983.30, to which we have to  
add of \$24,875.50 annual dividend for 1931  
on the stocks of the Dominion Cotton Mills  
received since closing our books, making the  
amount of the credit of profit and loss account  
\$216,858.80 against \$100,000.00 last year.

The company has in operation 10,100 looms  
484,111 spindles and employs 1,100 men.  
The Board of Directors would give me the names  
of President and Directors?

Mr. Chairman: The first re-elected were -  
J. B. Gordon, President, Mr. J. B. Gordon,  
J. A. Gault, J. A. Gault, J. A. Gault and John

and Mr. J. B. Gordon, Mr. J. B. Gordon,  
Mr. J. B. Gordon, Mr. J. B. Gordon,  
Mr. J. B. Gordon, Mr. J. B. Gordon,  
Mr. J. B. Gordon, Mr. J. B. Gordon,

"The net profit for the year after a 10%  
allowance made for taxes, all will be made, and  
with an allowance of \$10,000.00 for taxes and the  
balance of \$10,000.00 for taxes and the

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Eversfield

To this amount we have to add \$74,377.50 being a dividend of 2½% on 29,751 shares of the Dominion Cotton Mills Co. Ltd. for year ended 31st March 1915, in all \$1,555,572.99, out of which we have paid the following:

|                             |              |
|-----------------------------|--------------|
| Interest on Bonds           | \$199,556.50 |
| Dividend on Preferred Stock | 134,820.00   |
| Do Common Stock             | 300,000.00   |
| Rental of D.C.M.Co. Ltd.    | 368,055.82   |
| Do Mt. Royal Spinning Co.   | 198,000.00   |
| Patriotic Fund              | 15,000.00    |

and after allowing for all bad and doubtful debts, and putting aside a reserve of \$100,000.00 towards the Government War Tax, there is left a surplus for the year of \$211,608.14. This will bring the amount at credit of Profit and Loss Account on the 31st March, 1916 to \$1,093,534.44, to which we have to add the sum of \$74,377.50 annual dividend for last year on the stock of the Dominion Cotton Mills Co. Ltd. received since closing our books, making the total amount at the credit of Profit and Loss Account \$1,167,911.94 against \$956,303.80 last year.

Sales for the year amounted to \$10,438,098.87 compared with \$7,643,574.39 last year, an increase of \$2,794,424.48.

At the bleachery and print works the difficulties surrounding the production of high grade





5884

Eversfield

5 shirtings and prints has given cause for very great anxiety. Dye stuffs and chemicals used in the production of these lines are purchased wherever found, generally in small quantities and at prices previously unheard of. These departments have been run to full capacity, although we have been obliged to advance prices considerably to meet conditions.

10 Since the outbreak of the war we have added a large number of new lines not previously made in Canada, to our already wide range of cloths, and we do not anticipate any difficulty in holding this trade after the war is over.

15 The Company has in operation 10,000 looms, 464,144 spindles and employs over 7,000 hands."

Then at page 146:

20 "The Chairman then stated: 'You have heard the Profit and Loss Account and the Statement of Assets and Liabilities. If there are any questions you would like to ask I would be glad to answer them. I might say in regard to

25 the Statement that it has been made up in the most conservative manner and it shows that the Company is in very good state. One reason why our business is so good, and a very important reason, is on account of the difficulty in

30 getting goods from the other side. Of course,

Evening

chillings and grills has given cause for very  
great anxiety. The strike and economic  
in the past has been a very serious one  
however, and, generally in such a position  
at present previously unheard of. These  
ments have been run to full capacity, although  
we have been obliged to advance prices considerably  
to meet conditions.

Along the course of the way we have  
a large number of new lines not previously  
in the past, in our present wide range of  
and we do not anticipate any difficulty in  
meeting this trade after the war is over.

The company has in operation 10,000 looms  
400,000 spindles and employs over 7,000 hands  
There at page 140:

"The Chairman then asked: 'You have  
heard the report and have heard the  
ment of assets and liabilities. If there are  
any questions you would like to ask I would be  
glad to answer them. I might say in regard to  
the statement that it has been made up in the  
most conservative manner and it shows that the  
company is in very good shape. The reason why  
our business is so good, and a very important  
factor in the success of the industry is  
getting goods from the other side."

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that acute condition of freights and difficulty  
of getting goods across will not always go on,  
but I think we will from now on be in a better  
position to compete with the English market than  
we were previous to the war. Cotton remain  
very high and it is likely to be high, I should  
think, for the next six months or so.

Of course the amount of money spent in  
this country at the moment on munitions has a  
great deal to do with the purchasing power of our  
people, and that is one reason we have done so  
much business. There is a tremendous amount of  
money being put in circulation from this source.

I would like to thank the staff on behalf  
of the directors and shareholders for the way  
they have worked'."

Then the annual meeting, May 27th, 1917:

"The net profits for the year after paying  
current interest on loans, all mill charges and  
writing off \$396,642.60 for repairs and improve-  
ments to the mills, amounts to \$1,582,705.77.  
To this amount we have to add \$74,377.50 being a  
dividend of 2½% on 29,751 shares of the Dominion  
Cotton Mills Co. Ltd. for the year ended 31st  
March 1916, in all \$1,657,083.27, out of which  
we have paid the following:

|                             |              |
|-----------------------------|--------------|
| Interest on Bonds           | \$193,041.25 |
| Dividend on Preferred Stock | 135,331.00   |
| Do Common Stock             | 300,000.00   |





Rental of D.C. M. Co. (9 mos.) 271,165.46

Do Mt. Royal Spinning Co. 198,000.00

Patriotic Funds 20,000.00

and after allowing for all bad and doubtful debts and putting aside a reserve of \$100,000. towards the Government War Tax, there is left a surplus for the year of \$350,632.47. This amount added to the previous Profit and Loss Account will bring the balance at credit of this account as on the 31st March, 1917, to \$1,444,166.91 as against \$1,093,534.44 last year.

Sales for the year amounted to \$13,375,750. compared with \$10,438,098.87 last year, an increase of \$2,937,661.33.

The difficulties surrounding manufacturing during the year have been much greater than in any previous period, and costs have materially increased. The amount paid out for wages was about 21% in excess of last year, supplies 18%, coal 42% and dye stuffs and chemicals 103%, while raw cotton is today 60% higher than this time last year. Freight embargoes have also been the cause of very great anxiety, and increased the expense of operation.

As usual all the mills of the company have been maintained in first class condition and there is now in operation 10,000 looms, 464,144





spindles employing over 7000 hands.

We are pleased to report that during the year we acquired the remaining outstanding share of the capital stock of the Dominion Cotton Mills Co. Ltd and the land, buildings, machinery and all other assets of the Dominion Cotton Mills Co. Ltd. now belong to the Dominion Textile Company Ltd. and are included in the statements presented to you today."

Then page 155, same meeting:

"The Chairman then stated as follows:

"I would just draw your attention to the fact that the Company had its largest gross and net in its existence, as a result of its sales amounting to over thirteen million, on which the increase is nearly three millions.

In the balance sheet you will notice the reduction of the Liabilities and increase in the current assets and loans reduced. I am quite sure this must be satisfactory to all the shareholders.

In the Inventory, the stocks have been reduced almost to a minimum, and what is on hand is being taken in on a conservative basis.

The Dominion Cotton Mills Co. has been absorbed and the stock of the Dominion Cotton Mills Co. has been taken into the treasury of

...the ...

...to be pleased to report that ...  
 ...the ...  
 ...of the ...  
 ...the ...  
 ...and ...  
 ...the ...

...the ...

...the ...

...the ...

...I would just draw your attention to the fact  
 ...that the ...  
 ...not in its existence, as a result of its ...  
 ...the increase to nearly three millions.

...in the balance sheet you will notice the  
 ...reduction of the liabilities and increase in  
 ...the current assets and I am ...  
 ...quite sure this will be satisfactory to all  
 ...the shareholders.

...the ...  
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 ...The ...  
 ...absorbed and the stock of the ...  
 ...the ...

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Eversfield

the Textile Company, so that the Textile Company now own all the assets of the constituent companies.

5 You will notice the dividend has been increased, and with the splendid condition of the property of the Company I hope we will be able to maintain it."

10 THE COMMISSIONER: The dividend had not been increased that year over the year before?

MR. McRUER: Had not been increased at the fiscal year but I think they increased it at the beginning of the other year, which will be dealt with in the next annual report.

15 The directors elect were: G. B. Gordon, John Baillie, F. G. Daniels--F. G. Daniels and W. A. Black are the two new men.

THE COMMISSIONER: Is the number increased?

20 MR. McRUER: No, there are seven. J. P. Black and Grier are gone.

MR. HEWARD: Hosmer died.

MR. McRUER: Then at page 158, bottom of page 157:

25 "Mr. Caverhill then stated:

"Before the meeting is closed I would like to say a word.

30 "While in years gone by we have had good things to say about the directors, this year it is more than ever deserving, and I hope all the Directors will understand how we

the people... the...  
... the... of the...  
... the...

... the...  
... the... of the...  
... the... will  
... to maintain it."

... The dividend had not been  
... the...  
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... the... will be held  
... in the next annual report.

... the directors elect were: ...  
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appreciate their services, because those of us who are interested in other companies know it has been a very hard and arduous year to pull through, not only with the market prices, but with the strikes and labour troubles, and you people handle them very very well.

I ask the prayers of my fellow shareholders that you may have as good a year next year and not run up against any harder things than you have had this year."

Then page 161, May the 27th, 1918:

"The net profits for the year after deducting all manufacturing charges and making provision for depreciation, amount to \$1,873,371.41, out of which has been paid the following:

|                                |              |
|--------------------------------|--------------|
| Interest on Dom. Textile Bonds | \$193,170.00 |
| Int. on Dom. Cotton Mill Bonds | 222,555.00   |
| Int. on Montmorency Bond       | 25,687.50    |
| Rent Mt. Royal Mill            | 198,000.00   |
| Div. - Preferred Stock         | 135,842.00   |
| Do Common Stock                | 350,000.00   |
| Bad Debts                      | 3,088.84     |

the surplus amounting to \$745,028.07 has been carried to the credit of Profit and Loss Account which now stands at \$2,189,194.98 from which the War Profits Tax for the year 1917, 1918 will have to be deducted.





5890 Eversfield

Sales for the year amounted to \$16,850,278.78 compared with \$13,375,750.25 last year, an increase of \$3,474,528.53.

5 All the mills of the Company have been maintained as well as conditions would permit and there is now in operation 9,500 looms, 450,000 spindles employing over 6,500 hands.

10 Manufacturing conditions continue on a par with those existing last year and costs of manufacturing have continued to mount. Wages have been advanced from time to time and have at least kept pace with the increase cost of living.

15 During the year we had to overcome a number of unusual conditions and by doing so we were enabled to be of considerable assistance to the American government in satisfactorily supplying quantities of materials urgently needed in army equipment.

20 The outlook for the coming year may be considered satisfactory and we are assured of as full an output as labour conditions will permit."

25 Then page 167:

"The Chairman then thanked the shareholders for their attendance and stated as follows:

30 "I think the affairs of the Company are going

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averaging

increase of 15,471,000 lbs.  
compared with 13,500,000 lbs. last year, and  
balance for the year amounted to 16,500,000 lbs.

All the mills of the Company have been  
maintained as well as so many other mills  
and there is now in operation 9,500 looms.

Administrative conditions continue on a  
high level and in 1937 and 1938  
of manufacturing have resulted in losses.

There have been no advances from time to time  
have at least kept pace with the increase of  
of living.

During the year we had to overcome a  
number of unusual conditions and by doing so  
we were enabled to be of considerable as-

sistance to the Government in satis-  
factorily supplying quantities of materials  
urgently needed in war equipment.

The outlook for the coming year may be  
considered satisfactory and as the demand for  
as well as output as labor conditions will

be good.

In a large way:

"The Chairman then turned the attention  
for their assistance and a vote of thanks

"I think the attention of the members of the



on very well, and we have had a very considerable amount of business from the United States Government and these war orders are likely to continue if the war goes on into next year. There is a good deal of business coming to Canada from the United States of one kind and another. I was looking up the return a few days ago and I saw that the adverse balance for the ten months this year against Canada is only \$189,000,000, whereas the adverse balance for the same ten months last year was \$310,000,000. So that we are in a much better position, and I thought you would be interested to know that. Of course the exchange has been running very much against Canada and I understand our government thought of borrowing money down there to rectify the balance, but the best way is to sell them more and buy less, and it will be a good basis. I think we are going to get a lot of business from the United States and of course that will benefit the companies in which we are interested.

Then page 170, annual meeting May 28th, 1919:

"The surplus for the year after deducting all manufacturing costs and allowing for depreciation, rent, bond interest, dividends, and setting aside a reserve for replacement

1931

Overseas

on very well, and we have had a very con-  
siderable amount of business from the United  
States Government and there was orders and  
it is no longer if the war goes on into  
next year. There is a good deal of business  
coming to Canada from the United States of  
one kind and another. I was looking up the  
return a few days ago and I saw that the  
advance balance for the ten months this year  
of last Canada is only \$189,000,000, whereas  
the advance balance for the same ten months  
last year was \$210,000,000. So that we are  
in a much better position, and I thought you  
would be interested to know that. Of course  
the advance balance for the same ten months  
against Canada and I understand our govern-  
ment is not going to pay more than \$100,000,000  
to help the balance, but the best way is to  
sell them more and buy less, and it will be  
all right. I think we are going to get a  
lot of business from the United States and of  
course that will benefit the companies in  
which we are interested.

"The advance for the year also is \$100,000,000  
all against the same and I think for the  
year, and I think we are going to get a  
lot of business from the United States and of  
course that will benefit the companies in  
which we are interested."

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War and Income Tax and a Pension Fund, amounts to \$1,159,888.08. This amount has been carried to Profit and Loss Account, which now stands at \$3,349,083.06.

Sales for the year amounted to \$23,666,216.56 compared with \$16,850,278.78 last year, an increase of \$6,815,937.78.

The mills have been maintained as well as war conditions would permit, but considerable expenditures are necessary to replace machinery worn out and unobtainable during the past two years, for which provision has been made.

Manufacturing conditions during the first seven months of the year were somewhat similar to those of last year, with the duck and webbing plants fully occupied for the account of the American government. Following the signing of the Armistice new business was negligible for some months but lately has materially improved and we have every indication of sufficient work to keep the plant fully occupied.

The supply of labour has improved and although there is general unrest throughout the country, we are presently endeavouring to make changes that will be mutually satisfactory. A Pension Fund System will be inaugurated during the year."

Statement

Net and interest for the year ended 1937, amounting to

\$1,152,888.00. This was a decrease of

\$1,152,888.00 compared with \$1,152,888.00 in 1936.

Net income for the year ended 1937, amounting to

\$1,152,888.00 compared with \$1,152,888.00 in 1936.

\$1,152,888.00 compared with \$1,152,888.00 in 1936.

Net income for the year ended 1937, amounting to

\$1,152,888.00 compared with \$1,152,888.00 in 1936.

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\$1,152,888.00 compared with \$1,152,888.00 in 1936.

Net income for the year ended 1937, amounting to

\$1,152,888.00 compared with \$1,152,888.00 in 1936.

Net income for the year ended 1937, amounting to

\$1,152,888.00 compared with \$1,152,888.00 in 1936.



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Eversfield

5 MR. HEWARD: The paragraph in reference to surplus it says: allowing for depreciation, rent, bond interest, dividend, and setting aside a reserve for replacements, war and income tax and a pension fund--

THE COMMISSIONER: Does not give the amounts paid.

10 MR. McRUER: I have it here

THE COMMISSIONER: This is the first time they leave it out of the report.

MR. McRUER: The bond interest amounts to -

|                                                                |              |
|----------------------------------------------------------------|--------------|
| Interest on Dom. Textile Bonds                                 | \$173,230.00 |
| Int. on D.C.M. Co. Bonds                                       | 222,555.00   |
| Do Montmorency Bonds                                           | 25,237.50    |
| Rent Mt. Royal Mill                                            | 198,000.00   |
| Div. - Preferred Stock                                         | 135,842.00   |
| Do Common Stock                                                | 400,000.00   |
| Reserve for War and Income Tax,<br>Pension Fund & Replacements | 1,100,000.00 |

20 leaving a balance to the credit of Profit and Loss Account of \$3,349,083.06.

Then page 174, meeting May 28th, 1919:

25 "The Chairman then stated:  
"You have all had a copy of the annual report sent to you and have had an opportunity of looking it over. In connection with the report I would just like to say that there has been some talk about the large profits this Company has made and comments have been made in the newspapers. It is true we

30

... in all cases ...  
... it says: ...  
... interest, dividend, and ...  
... for replacement, war and income tax and a ...

... I do not give the ...

... I have it here ...  
... This is the first time ...

... leave it out of the report.

... The bond interest amounts to -

Interest on Textile Bonds \$155,850.00

Int. on U.S. Bonds \$25,400.00

To Contingency Bonds \$5,484.00

Net U.S. Bonds \$15,000.00

Div. - preferred stock \$5,484.00

To Common Stock \$50,000.00

Reserve for war and income tax, \$150,000.00

Leaving a balance to the credit of ...

Amount of \$5,484,084.00.

Then, says Mr. ...

"The Commission to ..."

"You have all ..."

to you and have had an opportunity of looking it

over. In connection with the report I would just

like to say that there has been some talk about the

large ...

... in the ...

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5 have made pretty large profits during the last  
year, but I would like to explain these profits  
are very abnormal as it is what has happened in  
practically every industry doing any cotton  
business. The report from Manchester show that  
the cotton mills there are showing even larger  
profits than we are showing, and the reports from  
cotton mills in the United States show their earn-  
10 ings are very large. It is the very nature of  
the business at present which makes it necessary  
to make large earnings, and we might easily if  
we did not have a very large margin to come and  
go on, make a serious loss.

15 There are two reasons why we have made such  
large profits last year and these reasons are  
entirely unconnected with the trading of the Company  
and that is the point I wish to make, they were  
20 outside the regular trading of the company. They  
were made first because we have a very large amount  
of our cotton, some thirteen million pounds of  
cotton, which was ruling then at a fairly low  
price, and which immediately began to go up, and  
25 of course prices were very high during the year,  
and that showed in our profits this year, and the  
second reason was we had large orders for the  
government of the United States, and these orders  
30 were sent us at their own price. We did not have  
anything to do with the fixing of the price at all,

have some pretty large profits during the last  
 year, but I would like to mention that  
 are very abnormal as it is what has happened in  
 practically every industry doing any so far  
 business. The report from a number of these last  
 the cotton mills there are showing even larger  
 profits than we are showing, and the reports from  
 cotton mills in the United States show their earnings  
 are very large. It is the very nature of  
 the business at present which makes it necessary  
 to make large profits, and we must admit it  
 we did not have a very low margin to work on  
 to us, make a serious loss.

There are two reasons why we have made such  
 large profits last year and I see reasons are  
 entirely unconnected with the trading of the cotton  
 and that in the period I wish to make, they were  
 outside the regular trading of the company. They  
 were made from a source we have a very large stock  
 of our cotton, and which is a million pounds, of  
 cotton, which was selling then at a fairly low  
 price, and which immediately began to go up, and  
 of course orders were very high during the year,  
 and that was in our profits last year, and the  
 reason for this is a very large one for the  
 Government of the United States, and I see that  
 were sent in at a very low price, and did not have  
 anything to do with the trading of the cotton.

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Eversfield

so that we cannot be accused of having tried to get a larger price than they were willing to give us, but we accepted the price they gave us, which was very high. And I might say here, the prices of all cotton goods, fixed by the War Industries Board at Washington were very high. They fixed prices on articles such as steel and other things fairly high, but this was done, having in view a certain purpose, which was to make it possible so that there would be no trouble, and manufacturers would be able to give advances readily, and they would also make large profits which they would have to pay back into the Treasury of the United States in the shape of excess profits, taxes and doing this made it much easier for the United States to finance the war. Mr. Daniels has just received a report from the English mills showing the results of a great many of the English mills for the past quarter and I would like him just to give you one or two examples so that you may have an idea and know that the situation is absolutely abnormal, and it would not do for our government or our neighbours to seize upon the present situation as being at all likely to repeat itself in any way. So far as our wages are concerned, I can tell you they have gone up enormously.

as that he cannot be accused of having tried to  
get a larger price than they were willing to  
give it, and we accepted the price they gave  
with us a right. And I think they were  
the prices of all cotton goods, fixed by the  
the Government. They fixed prices on articles such as  
right. They fixed prices on articles such as  
and other things fairly high, but this was not  
having in view a certain purpose, which was  
was to show that the Government was not  
the Government, and the Government was not  
extreme readily, and they would also make the  
profits which they would have to pay back to  
the Treasury of the United States in the shape  
of excess profits, taxes and doing this work  
much easier for the United States to finance  
war. Mr. Brydie has just received a report  
from the British War Office showing the results of  
first: many of the British War Office for the war  
together and would like him just to give you  
one or two examples so that you may have an  
idea and know what the situation is actually  
actual, and it is not so far from government  
or our government to solve upon the present  
situation as being at all likely to repeat itself  
in any way. So that we are not at all alarmed,  
and I think you will be satisfied.

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Eversfield

We have given from 50 to 100 per cent advance in wages over 1914. I just wish to mention this fact in connection with the report for this year."

Mr. Daniels then reported some figures in regard to the profits of some of the English cotton companies."

Sir Charles Gordon, the president, was occupying the chair.

We then go to page 180, a special meeting of August 26th, 1919:

- "The number of shares present and represented at the meeting was 47,514 out of a total of 69,406 issued shares, being more than two thirds in value of the subscribed stock of the Company.

The Secretary thereupon read By-law No.23 enacted by the directors of the company at their meeting held on the 7th day of July, 1919, authorizing the creation of a bond issue amounting to \$15,000,000. Whereupon it was moved by Mr. A. H. Sims, seconded by Mr. John Baillie and unanimously resolved:

That the said By-law be and the same is hereby sanctioned."

Then page 182, annual meeting May 31st, 1920:

"Sales for the year" amounted to \$23,436,770.61 and the surplus for the year

We have given from 50 to 100 per cent seven  
in wages over 1914. I have wish to mention  
the fact in connection with the report for  
this year.

Mr. Daniels then reported some figures  
regard to the profits of some of the English  
cotton companies.

Mr. Daniels then, the following, was  
in the chair.  
We then go to page 180, a special meeting of  
August 28th, 1912:

"The number of shares present and repre-  
sented at the meeting was 47,514 out of a total  
of 55,400 issued shares, being more than two  
thirds in value of the authorized stock of the  
company.

The secretary thereupon read as follows No. 23  
passed by the directors of the company at the  
meeting held on the 7th day of July, 1912,  
authorizing the creation of a bond issue amount-  
ing to \$15,000,000. Whereupon it was moved by  
Mr. J. H. Sims, seconded by Mr. John Phillips  
and unanimously resolved:

That the said bond issue be and the same be  
issued as follows:

Firstly, \$10,000,000 in 10% debentures, 1912, 1922

Secondly, \$5,000,000 in 10% debentures, 1912, 1922

Thirdly, \$5,000,000 in 10% debentures, 1912, 1922

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after deducting all manufacturing costs and  
allowing for rent, bond interest and dividends  
amounts to \$703,961.46. This amount has been  
placed to the credit of Profit and Loss Account  
which now stands at \$4,053,044.52."

THE COMMISSIONER: Up to a few years ago you  
were getting certain information which you are not  
now getting from those minutes. How much paid for  
bond dividends?

MR. MORUER: I will read that from the Balance  
Sheet which is pasted in.

"Since the last annual meeting the re-  
construction of the Magog dam, which had been  
carried away, was commenced and is now nearing  
completion, and also the addition to the  
Magog cotton Mill which will increase the  
capacity from 64,000 to over 93,000 spindles.

Machinery has been purchased and is now  
coming forward for a fine white cotton mill  
of 1500 looms capacity, which we hope to have  
in complete operation before the end of  
September.

Your directors after careful investigation  
during the year decided to purchase the Mount  
Royal Spinning Mill which heretofore was under  
lease and the property was taken over on the  
1st of September last.

after deducting all manufacturing costs and  
allowing for rent, bond interest and dividends  
amounts to \$703,361.46. This amount has been  
placed to the credit of Profit and Loss account  
which now stands at \$4,085,044.32."

THE BOARD: Up to a few years ago you  
were getting from the company some part of the  
profits for the stockholders. Now each part for  
the stockholders.

MR. MORTON: I will read that from the balance  
sheet which is stated in.

"Since the last annual meeting the re-  
construction of the large dam, which had been  
carried away, was commenced and is now nearly  
completed, and also the addition of two  
new turbines with which will increase the  
capacity from 64,000 to over 94,000 horsepower.  
Machinery has been purchased and is now  
coming forward for a time while action will  
of 1500 horse capacity, which we hope to have  
in complete operation before the end of  
the year."

THE BOARD: The year decided to increase the horse  
power capacity will be the first time the  
company has ever had more than 100,000  
horse power.

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During the past few years the cost of building and equipping a cotton mill has increased probably more than that of any other industry. In 1914 a mill equipped with automatic looms, which cost in the neighbourhood of \$30.00 per spindle or \$1,200 per loom, will now cost \$85 per spindle or \$3,400 per loom.

Whilst costs of manufacturing have continued to mount, we believe the situation in Canada warrants the expectancy of full operations in all our mills during the ensuing year.

#### Statement of Profit and Loss

|                                    |               |
|------------------------------------|---------------|
| Int. on Dom. Textile Bonds         | \$245,730.00  |
| Do D.C.M.Co. Bonds                 | 222,555.00    |
| Int. on Montmorency Bonds          | 24,787.50     |
| Plus rent - Mt. Royal Mill         | 112,500.00    |
| Div. - Preferred Stock             | 135,842.00    |
| " Common Stock                     | 400,000.00    |
| Balance at credit of Profit & Loss | 4,053,044.52" |

M. McRUER: There is an item in this account of Interest on Investments \$144,131.05.

Then at page 186 -

"The Chairman then stated: 'I have very much pleasure in moving the adoption of the annual report and in doing so I would like to say in connection with the affairs of this

1918-1919

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During the past few years the cost of

THEY CAN BE USED IN A VARIETY OF WAYS

at home in rooms, which east in the neighbour-

Amount of "30.00 per spindle or \$1.500 per 1000

• **Two**

Whist coats of various tints have been

1. 11075 10 11075 12 9:00 12

1. **Remark:** There is no item in this section

of interest in

THE UNIVERSITY OF CHICAGO



Company that notwithstanding statements which have been made in attacks on the tariff and at other times, with regard to the prices charged by this Company for its products, I would say that our prices have at all times been based upon a reasonable profit, taking into consideration the risks involved in doing business under existing conditions and bore no relation to either the tariff or prices abroad. During the past year at least our prices were lower than those of any other country considering the heavy war tax and adverse exchange conditions on raw cotton and other materials entering into the cost.

This seems to be a somewhat sweeping statement but nevertheless the English price and American price have been very much higher than ours during the past year. I know a good many of our shareholders have been disturbed at various times by the attacks made on this Company at Ottawa and in various investigations taking place, and therefore I think it is only fair that they should know that we never tried to take advantage of the highest prices based on the tariff. I suppose it is not perhaps altogether in the interest of the shareholders that we have not got the highest





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Eversfield

price we might have got at all times, but I do not think it is the wish of the shareholders of this Company to get more than what can be considered legitimate profit, and that is the object we have aimed at. We have got a very good profit on our business and we are in a very sound financial position and although we have not shown quite as large a profit as last year, the affairs of this Company and the reserve which have been set up in the various departments to take care of any depreciation which may come, are ample for all purposes.

Our surplus for the year plus amount paid out for dividend on the common stock amounts to less than one cent per yard on our total production, based on yardage, which is a very small amount especially when you consider that a large percentage of our output consists of printed and bleached lines and the cost of converting these lines from the grey cloth is included in the one cent per yard. The amount earned towards common stock and surplus, viz. \$1,103,961.00 being less than 5% on our turnover.

The apparent reduction in our liquid surplus for the year is accounted for by the

prices we might not get at all times, but  
I do not think it is wise to  
holders of this company to get more than what  
can be considered legitimate profit, and that  
is the object I have aimed at. We have got  
a very good profit on our business and we  
are in a very sound financial position and  
although we have not shown quite as large a  
profit as last year, the affairs of this  
company and the reserve which have been set  
up in the various departments to take care of  
any depression which may come, are ample for  
all purposes.

Our earnings for the year plus amount paid  
out for dividend on the common stock amounts  
to less than one cent per share on our total  
production, based on package, which is a very  
small amount especially when you consider that  
a large percentage of the total production is  
consumed in the various departments and the rest is  
sold at a very low price. The fact that the  
company is in a position to pay dividends is  
entirely due to the fact that the company has  
been able to maintain a very high level of  
production and to sell its products at a very  
high price.

The company is in a position to pay dividends  
and to maintain a very high level of production  
and to sell its products at a very high price.

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fact that last year we were unable to ascertain the amount due to the government for Business Profits Tax before closing our books, we therefore showed the estimated amount in our reserve for war and income tax while this year the proper amount, viz. \$587,159. was set aside and included in our liquid liabilities. You will also note that while our plant account has increased about \$2,600,000 for the year, owing to the purchase of the Mt. Royal Mill and other additions, our bond issue has only been increased to the extent of one and a half million dollars, the difference amounting to over one million one hundred thousand being paid out of liquid assets."

Then page 191, the annual general meeting, May 30th, 1931:

"Sales for the year amounted to \$26,429,659.58 compared with \$23,436,770.61 last year and the surplus for the year after deducting all manufacturing costs and allowing for rent, bond interest, dividends and reserve for bad debts, amounts to \$585,547.11. This amount has been placed to the credit of Profit and Loss Account which now stands at \$4,636,591.63.

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The balance of the Montmorency Cotton Mill bonds amounting to \$407,500.00 matured on the 2nd January 1st and were paid off.

5 It will be seen from the above figures that although we have passed through a year of great difficulties the result has been very satisfactory. For several years the cotton business has been faced with extremely high prices of raw materials and also with advances in wages and overhead expenses which reached their highest point during the year just closed. Raw cotton in July 1920 was  
10 selling at over fifty cents per pound laid down in Montreal and from that point declined to about 12 cents per pound during our business year.

15 Your directors were reasonably certain that one day we would be face to face with a heavy shrinkage in our inventories, but no one anticipated such a heavy decline as that which occurred. For some years, however, we have been preparing for such an emergency,  
20 with the result that we have been able to take care of the heavy shrinkage in inventories without impairing our liquid position.

25 It may not be out of place at this annual meeting of the company to mention that the policy which was instituted at the very  
30

1911-1912

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The balance of the Montgomery Cotton

and the Montgomery Cotton

of the 2nd January had and were paid off.

It will be seen from the above figures

that although we have passed through a year

of great difficulties the result has been very

satisfactory. For several years the cotton

business has been faced with extremely high

prices of raw materials and also with advances

in wages and overhead expenses which rendered

the situation very difficult.

At the end of the year in July 1910 was

selling at over fifty cents per pound and

down in London and from that point declined

to about 12 cents per pound during our business

year.

Your directors were reasonably certain

that one day we would be face to face with

a heavy shrinkage in our inventories, but

no one anticipated such a heavy decline as

has occurred.

We have been preparing for such an emergency.

With the result that we have been able to

take care of the heavy shrinkage in inventories

then without impairing our financial position.

It may not be one of the best of times at this annual

meeting but we are confident that our

policy has been well justified at the very

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inception of the company, namely, that of concentrating our business at our largest plants, has been consistently carried out. The smaller plants have been closed up as the overhead expense connected with them was out of all proportion to the results. All our principal expenses have taken place at six different points, namely, Montmorency, Magog, Hochalaga, Merchants', Mount Royal and Verdun, and we now have situated at these six points great properties, each of which is becoming more specialized day by day and will in time we hope be capable of holding its own as compared with the larger plants of other countries.

We have now in operation five hundred and thirty thousand spindles and 11,058 looms occupying 80 acres of floor space, using 19,685 H.P., a large amount of which is owned outright by the company.

In addition to the above mentioned spinning and weaving mill we have concentrated all our printing at Magog and all our bleaching at the Colonial Bleaching in Montreal.

Your directors think it opportune that they should draw your attention to the valuable assets which the company now own and which have been improved from year to





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year without any large additions to bonded indebtedness or share capital, large sums of course have necessarily been written off on account of the closing of the plants at Halifax, Windsor and Moncton and the dismantling and removal of the print works which was taken over with the Colonial Bleaching & Printing Co. We consider however that these changes were all moved in the right direction which, as mentioned above, has been to consolidate at the more important centres and to distribute our manufacturing in such a way as to specialize in so far as possible, so that each mill will run on as few lines as possible and so get the best results from a manufacturing point of view."

THE COMMISSIONER: Have you the figures there?

M. McRUER: The profit and Loss Statement

shown:

|                            |              |
|----------------------------|--------------|
| Int. on Dom. Textile Bonds | \$283,467.50 |
| Int on Dom. Cotton Bonds   | 222,555.00   |
| " Montmorency Bonds        | 18,337.50    |
| Rent acct.                 | 31,416.00    |
| Welfare account            | 45,420.76    |
| Bad debts and reserve      | 110,425.87   |
| Div - Preferred Stock      | 135,842.00   |
| Common Stock               | 500,000.00   |
| Balance at credit          | 4,636,591.83 |





MR. McRUER: There is just an item from the Directors Minutes that I would like to put on the record here to keep it in the same year.

Q. Mr. Eversfield, this book I show you is the directors minute book, containing the minutes for April, 1921. A. Yes sir.

MR. McRUER: At page 210 there is a minute: "It was unanimously resolved that \$35,000 be paid to Sir Charles Hordson and \$7,000 as a bonus for services rendered by them during the years ending 31st March 1918 to 1921 inclusive and that the bonuses paid to the general manager, the salaried staff and mill superintendents for the six months ending 31st March as recommended by the president and general manager is approved of."

Then at page 196, same meeting, May 30th, 1921:

"The Chairman then stated: 'In connection with the report you see what I say in it, and there is not very much more to be said. Our principal difficulty for the past year has been with raw materials, prices and wages, and naturally the demand has something to do with our business. We think that during the year we are just starting, all our raw materials will be steady in price. We have gone through a year of great fluctuations but this year we are fairly well supplied with raw material and the prices are lower than last year, and we hope

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... There is just an item from the  
... that I would like to put on it  
... in the year.

... very field, then back to the  
... the different minute book, so taking the minutes  
... for the field.

... at page 210 there is a minute:

"It was unanimously resolved that \$20,000 be paid  
to Sir Charles Hobson and \$7,000 as a bonus for

... the year ending

... that from 1912 to 1913 inclusive and that the

... become paid to the annual manager, for the year

... and will superintendents for the six months

... ending that is now as recommended by the president

... is approved of."

Then at page 150, same meeting, May 10th, 1911

"The manager of the ...

... also with the report you are ...

... and there is not ...

... the principal difficulty for the ...

... been with the materials, prices and ...

... naturally the demand has something to do with

our business. We think that during the year we

are just starting, all can now be ...

be steady in ... we have some ...

... of the ...

... and ...



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Eversfield

to have steady business. The question of wages will no doubt give us some trouble.

5 The mills in the United States have reduced their wages about 22½% in the north and about 30% in the south, so that we have some very keen competition from the southern mills. Of course the rate of exchange helps us, and it is additional protection to the protection we usually have, but still even with that wages are very low today in the southern states, and they are producing goods almost cheaper than they have produced them for a great many years. Wages in the north have been decreased 22½% with the result that a great many mills are running on very short time. In England wages have not been reduced yet. The old scale is still in force with the result that a great many English mills are only running very short time, and some are running only two days a week. Other mills, Egyptian mills are only running about two days a week. Stocks of goods in England and in the United States are very heavy but the stocks in the hands of the wholesalers and retailers I think are very small. The boom that took place in the export from England, goods going to China and India during the time there was such a favourable

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to have steady business. The question of

wages will not only give us some trouble.

The mills in the United States have reduced their

wages about 25% in the south and about 30%

in the north, so that we have some very keen

competition from the southern mills. Of course

the rate of exchange helps us, and it is a

financial protection to the protection we usually

get, but still we are in a very bad way.

low today in the southern states, and they are

producing a great deal of cheap iron they have

not much iron in the north.

in the north have been decreased with

the result that a great many mills are running

on very short time. In England wages have

not been reduced yet. The old mills in still

in force with the result that a great many

English mills are only running very short time,

and some are running only two days a week.

Some mills, especially in the north, are

about two days a week. Some of the mills in

England and in the United States are very

heavy and the stock in the hands of the

businessmen are not very large.

small. The fact that I took place in the export

from England, and a going to him and India

during the time there was such a favorable

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exchange in India they loaded up with stock  
and the English mills had orders at almost  
any price they wanted to name, the result being  
they got a tremendous inflation in price, and  
merchants in India and China overstocked them-  
selves very much. Then the tumble in prices  
came, and they are now just beginning to work  
out of a very bad situation and orders are  
beginning to come in again in England to some  
extent.

Our own situation here in Canada I think  
is pretty healthy. There are no large stocks  
throughout the country, and we have reduced  
our price to the very lowest price cotton has  
touched now for some years, and our prices are  
based on very low cotton, although our wages  
are not as low as they have been or possibly  
will be in the future. We have not materially  
reduced our wages yet although we are giving  
much better efficiency than we were getting,  
due to the fact we have been able to eliminate  
unproductive labour taken over during the boom  
times. We will have to face the reduction  
in wages some of these days, but we have not  
thought it wise to do so to any great extent as  
yet, because the cost of living amongst our  
people we do not think has been reduced very  
much yet. No doubt it is coming. I think the

exchange in India they loaded up with stock  
and the English mills had orders at almost  
any price they wanted to name, the result being  
they got a tremendous inflation in price, and  
exchange in India and China was at a stand-  
still. Then the trouble in prices  
came, and they are not just beginning to work  
out of a very bad situation and orders are  
beginning to come in again in England to some  
extent.

Our own situation here in Canada I think  
is pretty healthy. There are a large number  
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will be in the future. We have not materially  
reduced our wages yet although we are trying  
and better efficiency than we were getting.  
And to the fact we have been able to eliminate  
unproductive labour taken over during the boom  
times. We will have to face the reduction  
in wages some of these days, but we have not  
thought it wise to do so to any great extent  
yet, because the cost of living is so high and  
people we do not think has been reduced very  
much yet. No doubt it is coming. I think

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prospects for a fair business this year for the Company are very good."

Mr. McRUAR: Q. Then this book I show you is Minute Book No. 2 of the shareholders of Dominion Textile commencing at the meeting of 29th May, 1932?

A. Yes, sir.

At page 1, 29th day of May, 1932:

"The surplus for the year after deducting all charges amounted to \$371,108.94. This amount has been placed to the credit of Profit & Loss account, which now stands at \$5,007,700.57.

The year under review, from a manufacturing point, has been one of great activity. Every department and branch of your Company has been operated to capacity, with the result that our productions were increased over the previous year by -

18,500,000 yds of grey cloth

8,250,000 yards of printed cloth - and -

5,000,000 yards of bleached and finished cloth.

Prior to the rise of approximately ten cents per pound in the price of raw cotton in September and October we had purchased several months supply, which in a measure accounts for the satisfactory results shown today.

During the year we commenced the retirement of the \$3,700,000 Dom. Cotton Mills Co. Bonds due July 2nd next, and in preparation for this

Everett

proposed for a fair business this year for  
the company and the  
... Then this book I show you  
... of the shareholders of ...  
... at the meeting of ...  
... sir.

At page 1, 2nd day, 1st May, 1922:

... charges amounted to \$271,108.94. This  
amount has been added to the credit of ...  
... at \$1,000,000.  
... year order review, from a manufacturing  
point, has been one of great activity. Every  
department and branch of your company has been  
...  
... have increased over the previous

12,000,000 lbs of grey cloth

8,500,000 yards of printed cloth

5,000,000 yards of bleached and finished cloth

... to the rise of approximately ten  
cents per pound in the price of raw cotton in  
September and October we had purchased several  
months supply, which in a measure accounts for  
the satisfactory results shown today.

During the year we commenced the retirement  
of the \$1,000,000 ...  
the July and next, and in preparation for this

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5 have sold at satisfactory figures \$2,000,000  
and  
of our authorized issue of First/Refunding  
Mortgage Gold Bonds, which we believe will  
be sufficient to enable us to complete this  
retirement.

10 we have now in operation 520,000 spinning  
spindles, 17,000 twisting spindles, 11,023  
looms, and supply direct employment to upwards  
of 8,000 operatives."

Profit and Loss Account

Interest and Discount on Bonds  
and rent account \$750,286.68  
Reserve for Bad and Doubtful  
Debts 50,000.00

15 Dividend - Preferred Stock 135,842.00  
Do Common Stock 600,000.00

Balance at Credit of Profit  
and Loss 5,007,700.57

20 There is an item in the Balance Sheet:"

Reserve - for pension fund, bad debts and  
plant renewals, 2,694,254.70

THE COMMISSIONER: What about this pension  
fund?

25 MR. MORIER: I am going into that. There is a  
booklet on it, my Lord.

Q. In this balance sheet for the year ending  
31st March, 1922, there appears to be an item:

Allowance - wages 172,825.00

30 do you know what that is? A. That is amount  
accrued and unpaid wages as at the last day of the

have said at conference, it was \$1,000,000 and  
of our authorized issue of first mortgage  
mortgage gold bonds, which we believe will  
be sufficient to enable us to complete this

Statement

We have now in operation 550,000 spinning  
spindles, 11,000 looms, and 11,000  
looms, and supply direct employment to upward  
of 8,000 operatives."

Profit and Loss Statement

Interest and Dividend on Bonds  
and rent account \$780,282.62

Reserve for Bad and Doubtful  
Debts \$0,000.00

Dividend - Preferred Stock \$85,842.00

For - General Expenses \$1,000.00

Interest on Bonds and Loans \$1,000,000.00

There is an item in the Balance Sheet:

Reserve - for pension fund, bad debts and

plant renewals, \$1,000,000.00

THE COMPANY'S: What about this pension

statement: I am going into that. There is a

booklet on it, my friend.

. In this balance sheet for the year ending

31st March, 1911, there appears to be an item:

Allowance - wages \$12,325.00

As you know, this is the

normal and regular wages of the



year which becomes due a few days after.

Q. Which becomes due a few days later? A. Yes sir.

5 Q. So that up to this day the amounts set aside for reserve for plant renewals, pension fund, bad debts was \$2,894,254.70 and they had in addition to that a balance in the Profit and Loss Account of \$5,007,700.57? A. Yes sir.

10 Q. Making a total reserve of \$7,700,000, in round figures? A. Yes, Part of that, of course, is depreciation accrued.

Q. A reserve for depreciation? A. Yes.

Q. But that was the total reserve or rest?

15 A. Yes.

Q. And the amount to credit of investments is \$4,122,264.99? A. Yes.

Q. That would be money invested in outside securities would it? A. Either that or affiliated companies.

20 Q. Yes. If you purchased your own bonds would they be credited to that account? A. I believe so.

25 Page 5, annual meeting for April, 1922:

"The only other thing I would like to refer to is the matter of the tariff which you know has just been brought down by the finance Minister.

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[illegible]

• 113 104 •

176. 27, 700.2

Amount of \$100,000.00 to be received from a gain on

• 300 •

• 208 •

• 807 •

722.438.321.41

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100

• 491811 •



g During 1914, under the British Preferential Tariff of 15% on greys and 17½% on white cottons, we were unable to meet the competition from Great Britain, and, although we had the facilities, and were running our plants on short time, there were imported during the year ended March 31st, 1914, nearly 24,000,000 yards of grey cottons, and more than 30,000,000 of white cottons.

Under the present tariff of 12½% on greys and 15% on white cottons, with exchange at \$4.49 and allowing for the import and sales taxes, and, taking into consideration the tax which we pay on raw cottons and supplies purchased, of necessity, outside the country, our margin is ~~reduced~~ reduced to 2.82% on grey cottons and 5.28% on white cottons, less whatever American exchange we have to pay on cottons and other purchases made in the United States.

It must be also borne in mind that our price must, at all times, be lower than the lowest price that can be found in Lancashire, so that some portion of our protection has to be eliminated in the price.

Wages in Canadian mills are, on the average, 50% higher than those in Great Britain and yet they are but what may be considered

During 1814, under the British pro-

tectional tariff of 15% on greys and 17%

on white cotton, we were unable to meet the

competition from Great Britain, and, although

we had the facilities, and were running our

factory at full capacity, we were unable to

during the year ended March 31st, 1814,

nearly 84,000,000 yards of grey cotton, and

more than 50,000,000 of white cotton.

Under the present tariff of 15% on

greys and 17% on white cotton, with exchange

at 14.49 and allowing for the import and sales

taxes, and, taking into consideration the

fact which we pay on raw cotton and supplies

procured, or necessity, outside assistance,

our revenue is not needed to 2,882 on grey

cotton and 2,882 on white cotton, less what-

ever American exchange we have to pay on

cotton and other purchases made in the United

States.

It must be also borne in mind that our

price must, at all times, be lower than the

lowest price that can be found in the market,

so that some portion of our production has to

be eliminated in the price.

It is also to be borne in mind that the

average, 50% of our production is lost in the

fact that we have to pay on raw cotton and



reasonable in this country, compared with wages paid in other industries."

THE COMMISSIONER: How much are they in Great Britain?

MR. MORUER: Fifty per cent higher in Canada than in Great Britain.

"At par of exchange the protection on greys would be 11.85% and on white 14.45%. So that you can see that the new tariff is affecting the interests of this Company, and I really cannot see myself why the Finance Minister should bleed Canadian industries for the benefit of Great Britain or any other country."

At page 6, foot of the page:

"Mr. Sims then stated that before the meeting dispersed he thought they should 'pass a vote of thanks to the directors, to the president, and members of the staff for the very excellent statements they have given us this year and notwithstanding Mr. Fielding and the tariff we hope they will show just as good a one next year.'"

On page 11, special general meeting on the 22nd day of December, 1922, the Secretary read the notice for the meeting such notice being as follows:





5 "Notice is hereby given that a special  
general meeting of the shareholders of  
Dominion Textile Company, Limited, will be  
held at the Company's office, No. 10 Victoria  
Square, in the City of Montreal, on Wednesday,  
the 6th day of December, 1922, at the hour  
of 12 o'clock noon, for the purpose of con-  
sidering, and, if deemed advisable, passing  
10 resolution extending the corporate powers  
of the Company and authorizing the applica-  
tion of Supplementary Letters Patent in  
confirmation thereof."

15 You might copy the whole of the By-law that  
appears at the foot of page 11:

"That the Directors of Dominion Textile  
Company, Limited, be and are hereby authorized  
to apply for Supplementary Letters Patent,  
extending the corporate powers of the Company  
20 to include the following objects:-

(a) To manufacture, import, export, buy, sell  
and deal in all kinds of goods, wares and  
merchandise;

25 (b) To carry on any business which may seem to  
the Company capable of being conveniently  
carried on in connection with the business  
or objects of the Company or which may seem  
to the Company calculated directly or in-  
30 directly to benefit the Company or to enhance

"Not as it is given in the original"

"The original of the resolution is as follows:-"

"The resolution of the Board of Directors, will be"

"held at the company's office, No. 10 Victoria"

"Street, at the hour of twelve, on the 15th day of December, 1922, at the hour"

"of twelve noon, for the purpose of con-

"sidering, and, if deemed advisable, passing"

"a resolution extending the corporate powers"

"of the company and authorizing the execu-

"tion of supplementary letters patent in"

"confirmation thereof."

"You might copy the whole of the by-law that"

"appears at the foot of page 11:"

"That the directors of Dominion Textile"

"Company, Limited, do hereby authorize"

"to apply for supplementary letters patent"

"extending the corporate powers of the company"

"to include the following objects:-"

"(a) To manufacture, import, export, buy, sell"

"and deal in all kinds of goods, wares and"

"articles, and to do all such other things as"

"may be necessary for the purpose of carrying"

"out the business of the company, and to do"

"all such other things as may be necessary"

"or expedient for the purpose of carrying"

"out the business of the company, and to do"

"all such other things as may be necessary"

"or expedient for the purpose of carrying"

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the value of or render profitable any of the  
Company's properties or rights;

(c) To purchase, take on lease or in exchange,  
hire or otherwise acquire any real or personal  
property, rights or privileges which the Company  
may think suitable or convenient for any pur-  
poses of its business and to utilize, turn to  
account, and sell, lease or dispose of the same;

(d) To erect, construct, operate, maintain  
and manager all kinds of buildings and works w  
which may be necessary or useful for the  
purposes of the Company or capable of being  
profitably dealt with in connection with the  
business of the Company and to sell, lease,  
or otherwise dispose of the same;

(e) Notwithstanding the provisions of section  
44 of the Companies' Act, to purchase and  
acquire and to own, hold, sell and re-issue  
shares, debentures, bonds and other securi-  
ties of any company or corporation and to pay  
for the same wholly or partly in cash, shares,  
bonds, debentures or other securities of the  
Company, and to guarantee the payment of the  
principal of or dividends and interest on  
such shares, bonds, debentures, securities or  
other obligations; to exercise any and all  
voting powers thereon by its duly authorized





officers or by a proxy duly appointed, and  
to manage the property, franchise, undertakings,  
and business of any corporation any of whose  
shares, bonds, debentures or other securities  
are held by the Company for such remuneration  
as may be deemed reasonable and proper;

(f) To sell, lease or otherwise dispose  
of the property, rights, franchises and under-  
takings of the Company or any part thereof  
for such consideration as the Company may  
think fit and in particular for shares, de-  
bentures, bonds or other securities of any  
other Company having objects altogether or  
in part similar to those of the Company, not-  
withstanding the provisions of Section 44  
of the Companies' Act;

(g) To consolidate or amalgamate with any  
other company or corporation having objects  
similar in whole or in part to those of this  
Company;

(h) To promote or assist in promoting,  
and to become a shareholder in any subsidiary,  
allied or other company or companies having  
for its or their objects the operation of  
any business altogether or in part similar  
to that of this Company or the acquisition  
of all or any of the properties, assets and  
liabilities of this Company, or for any other

officers or by a duly appointed, and  
to manage the property, franchise, and business of any corporation any of whose  
shares, bonds, or other securities are held by the company for such remuneration  
as may be deemed reasonable and proper;  
(f) to sell, lease or otherwise dispose  
of the property, rights, franchises and undertakings of the company or any part thereof  
for such consideration as the company may think fit and in particular for shares, debentures, bonds or other securities of any other company having objects similar to those of the company, notwithstanding the provisions of Section 44 of the Companies' Act;  
(g) to consolidate or amalgamate with any other company or corporation having objects similar in whole or in part to those of this company;  
(h) To promote or assist in promoting, and to become a shareholder in any subsidiary, allied or other company or companies having for its or their objects the operation of any business together or in part similar to that of this company or the acquisition of all or any of the properties, assets and liabilities of the company, or the acquisition of the property, rights, franchises and undertakings of the company or any part thereof.

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purpose which may seem directly or indirectly  
calculated to benefit this Company, and to  
guarantee the payment of principal of and  
dividends and interest on the shares, stock,  
bonds, debentures and other securities of  
and the performance of contracts by any such  
Company;

(i) To draw, make, accept, endorse,  
execute and issue promissory notes, bills o  
of exchange, bills of lading, warrants and  
other negotiable or transferable instruments;

(j) To invest and deal with the moneys  
of the Company not immediately required in  
such manner as they may from time to time  
be determined;

(k) To distribute in specie or otherwise  
any assets of the Company among its share-  
holders, and particularly any shares, deben-  
tures, bonds, or other securities, of any  
other company belonging to the Company, or  
received as the consideration of the sale of  
the whole or any portion of the property of  
the Company, or the shares, bonds, debentures  
or other securities of any other Company  
formed to take over the whole or any part of  
the assets or liabilities of this Company;

(l) To do all or any of the above things  
as principals, agents, contractors, or

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purpose which may seem directly or indirectly  
relates to benefit this company, and to  
the payment of a dividend of the  
dividend and interest on the shares, and  
other, dividends and a non-assignment of  
and the performance of contracts by any one  
person;  
(i) to draw, make, accept, endorse,  
or exchange, bills of lading, promissory notes and  
other negotiable or transferable instruments;  
(j) To invest and deal with the moneys  
of the company not immediately required in  
such manner as they may from time to time  
be determined;  
(k) To distribute in specie or otherwise  
any assets of the company among its share-  
holders, and particularly any assets, debentures,  
bills, bonds, or other securities, of any  
other company belonging to the company, or  
received as the consideration of the sale of  
the whole or any portion of its property or  
business, or the shares, bonds, debentures,  
or other securities of any other company  
which it may have or may hold in any part of  
the assets or liabilities of any company;  
(l) To do all such other things as may be necessary  
or expedient for the purposes of the company.



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Eversfield

otherwise, and by or through trustees,  
agents, or otherwise and either alone or  
in conjunction with others."

5 Directing the Commission's attention to paragraph  
(2) particularly to consolidate or amalgamate with  
any other Company or corporation having objects  
similar in whole or in part to those of this

10 MR. BALLANTYNE: What other things were  
they changing?

MR. McRUER: Oh, I don't know what they  
changed, They are asking for a lot of power  
here.

15 Q. I do not know whether you can help me,  
Mr. Eversfield - just about this time they issued  
2,500 shares at \$100 per share which brought the  
total issued capital of the company up to  
\$7,500,000? A. I think that would be  
20 in the directors' minutes.

MR. HEWARD: They issued 25,000 shares.

MR. McRUER: Yes. If you could just get me  
the reference in the minute book to that.  
-- Mr. Eversfield looks through the book.

25 MR. McRUER: Q. You are showing me the minute  
book of the directors of the Dominion Textile  
Company? A. Yes sir.

30 This is the minutes of the Directors held  
on the 25th of November 1902:

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in connection with the same.

Directing the Commission's attention to paragraph (2) particularly to consolidate or amalgamate with any other company or corporation having objects similar in scope or in part to those of this

Mr. BRYDIE: But other things were they changed?

Mr. BRYDIE: Yes, I don't know what they changed, they are saying for a lot of power

Q. I do not know whether you can help me, Mr. Verall is - just about this time they issued 2,500 shares at \$100 per share which brought the total issued capital of the company up to \$7,500,000.

in the directors' minutes.

Mr. BRYDIE: They issued 2,500 shares.

Mr. BRYDIE: Yes. If you could just get me the reference in the minute book to that.

-- Mr. Verall looks through the book.

Mr. BRYDIE: Now we are in the minute book 2 the directors in the directors' minutes.

Q. Yes?

This is the minute of the directors is



5        "The question of the extension of the  
Company's operations in connection with the  
plant which have been under consideration for  
some time past, including the buying and  
selling and handling of raw cottons in the  
south - a department of the Company's  
business which has grown rapidly and has  
proven profitable was discussed, and in order  
10       to provide funds for the company's increased  
financial requirements it was on motion,  
duly seconded, unanimously resolved that  
25,000 unissued common shares of the Company  
be offered to the holders of the issued  
15       common shares of record at the close of  
business, 21st November, 1922, at par on the  
basis of two shares for two shares now held  
to have that right to subscribe for new stock,  
20       on which date at noon the right to subscribe  
will expire.

Where fractions arise in the equal  
distribution of such shares the shareholder  
must adjust said fractions amongst themselves.  
25       Should any of the 25,000 not be applied for  
by the existing common shareholders or should  
any shareholders fail to adjust fractions  
between themselves the directors may issue  
and allot the same as they deem proper. Such  
30

"The question of the extension of the  
company's operations in connection with the  
plant which have been under consideration for  
some time past, including the buying and  
selling and handling of raw cotton in the  
United States and the  
company's financial position and the  
company's profitability was discussed, and in order  
to provide funds for the company's increased  
financial requirements it was on motion,  
that the company should issue 25,000  
common shares of the company  
be offered to the holders of the issued  
common shares of record at the close of  
business, first November, 1935, at par on the  
basis of two shares for one share now held,  
to have that right to subscribe for new stock  
on which date at noon the right to subscribe  
shall expire.  
Where no action is taken in the event  
distribution of such shares is made prior  
to the expiration of the right to subscribe,  
should any of the 25,000 not be applied for  
by the expiration of the right to subscribe,  
any shareholders shall to adjust themselves  
between themselves the directors may issue  
and allot the same as they deem proper, such

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shares as shall be applied for and issued and allotted under provision of this resolution will be paid for as follows:

5 \$25.00 with subscription, \$25.00, 15th January, 1923; \$25.00, 15th February, 1923, \$25.00, 15th March, 1923. Shareholders may pay in full on or before the 20th December next for the shares allotted to  
10 them and shares so paid will rank for dividends from December 15th, 1922. Shareholders who do not wish to pay by installments may pay in full on any subsequent install-  
15 ment date and receive interest on their payments at the rate of 6% per annum until 15th March, 1923, after which date such shares shall be entitled to regular dividends."

20 (Page 5925) follows)

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WITNESSETH

that the same shall be applied for and I used  
and allotted under provision of this act-  
tion will be paid for as follows:  
\$25.00 for the subscription, \$25.00, 1935  
\$2.00, 1936, 1937, 1938, 1939, 1940, 1941, 1942  
may pay in full on or before the 1st of  
the end of the year as paid will rest for  
holders who do not wish to pay by installment  
may pay in full on or before the 1st of  
payments at the rate of \$2.00 per annum until  
1st of Feb. 1943, after which date each shareholder  
shall be entitled to regular dividends."

(The 1943) dividend

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THE COMMISSIONER: You have not given the usual figures for that year.

MR. McRUER: No, your lordship; this is an intervening meeting.

THE COMMISSIONER: Oh, it is not the annual meeting?

MR. McRUER: No, my lord; this was a meeting of directors.

THE COMMISSIONER: I am sorry.

MR. McRUER: The next one will be a meeting of shareholders called on the 22nd of December, 1922.

THE COMMISSIONER: That is a special meeting, Mr. McRuer?

MR. McRUER: Yes, my lord, that is a special meeting again. This might be a convenient time to take a short adjournment, my lord.

THE COMMISSIONER: Yes. We will have a short adjournment now.

-- On resuming:

MR. McRUER: Then December, 1922, page 11:

"At the request of the President, the Secretary read the notice calling the meeting, which notice read as follows:

'Notice is hereby given that a special general meeting of the shareholders of Dominion Textile Company Limited, will be held at the Company's Office, 10 Victoria Square, Montreal, on Friday, the 22nd day of December, 1922, at the

THE CHAIRMAN: You have not given the

usual figures for that year.

MR. MONTAGU: No, your lordship; this is an

interlocking of years.

THE CHAIRMAN: Oh, it is not the annual no

MR. MONTAGU: No, my lord; this was a meeting of

directors.

THE CHAIRMAN: I am sorry.

MR. MONTAGU: The next one will be a meeting of

shareholders called on the 2nd of December, 1912.

THE CHAIRMAN: That is a special meeting, is it?

MR. MONTAGU:

MR. MONTAGU: Yes, my lord, that is a special meeting

again. This might be a convenient time to take a

short adjournment, my lord.

THE CHAIRMAN: Yes, we will have a short

adjournment now.

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— on resuming:

MR. MONTAGU: Then December, 1912, page 11:

"At the request of the President, the Board

read the notice calling the meeting, which

notice read as follows:

'Notice is hereby given that a special

General Meeting of the shareholders of Dominion

Real Estate Company Limited, will be held at the

Company's Office, 10 Victoria Square, Montreal,

on Friday, the 2nd day of December, 1912, at 10



hour of 12 o'clock noon, for the purpose of considering, and if deemed advisable accepting an offer for purchase of the undertaking of the company as a going concern and to authorize the directors to execute all documents and to do all acts necessary to carry the sale into effect."

"The following offer from Dominion Textile Company Limited, incorporated on the 3th December, 1922, was thereupon read by the Secretary."

MR. McRUER: That is a new company incorporated.

THE COMMISSIONER: What is the difference in the two names?

MR. McRUER: No difference, my lord; this is incorporated on the 9th December, 1922.

THE COMMISSIONER: How is it incorporated, by a charter?

MR. McRUER: They both had Dominion Charters.

THE COMMISSIONER: But this company was incorporated the same way as the other?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: I suppose you will tell me some time later of the different characteristics?

MR. McRUER: Oh yes, my lord, we will come to that.

"The following offer from Dominion Textile Co. Limited, incorporated on the 3th December, 1922, was thereupon read by the Secretary:-

Montreal, 11th December, 1922,

part of its other work, but the purpose of

an order for purchase of the material is

the company as a going concern and to transfer

the directors to elect all directors and to

to all acts necessary to carry out the same

"The following order from Dominion Textile

company limited, incorporated on the 2nd day of

1934, was forwarded to the Secretary."

Q. Now, that is a new company incorporated,

the Dominion Textile, that is the difference in the

two names?

A. Yes, no difference, my lord; this is

incorporated on the 2nd of January, 1934.

Q. Now, is it incorporated, by

a charter?

A. Yes, my lord; they both had Dominion Textile

the same way as the other?

A. Yes, my lord.

Q. Now, I suppose you will tell me some

MR. ROBERTS: My lord, we will come to that

the following order from Dominion Textile Co.

limited, incorporated on the 2nd day of 1934,

the company was by the Secretary:

Q. Now, this is the same, my



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Eversfield,

"Dear Sirs:

"We hereby offer to purchase from your Company as on a date to be agreed upon with your directors, your company's entire undertaking as a going concern, including, without limiting the generality of the foregoing, all your company's assets of every nature and kind, including good will, we assuming and undertaking to fulfill all your contracts and obligations of every nature and kind, the whole for and in consideration of 19,406 7% Cumulative Preferred shares of the par value of \$100.00 each, and 225,000 common shares without nominal or par value, of our company's capital stock to be issued and allotted fully paid and non-assessable, the said offer being on the basis of one of this company's 7% cumulative preferred shares of the par value of \$100.00 for each one of your company's 7% non-cumulative preferred share of the par value of \$100.00, and 3 of this company's common shares without nominal or par value for each one of your company's common shares of the par value of \$100.00, the shareholders of your company to surrender their shares in your company in exchange for the shares of this company."

Page 12:

"It was moved by Sir Thos. Tait, and seconded by Mr. Hartland Macdougall: -

"That the foregoing offer be accepted and that

"Next day:

The Board of Directors of the Company

has on a date to be named upon this and directed

your company's entire undertaking as a going concern

including, without limiting the generality of the

foregoing, all your company's assets of every kind

and kind, including good will, we assuming and

undertaking to fulfill all your contracts and

obligations of every nature and kind, the whole

for and in consideration of \$1,400,000 the cumulative

preferred shares of the par value of \$100.00 each

and non-cumulative preferred shares of \$100.00 each

and of our company's capital stock to be issued

and allotted fully paid and non-assessable,

the said offer being on the basis of one of this

company's 75 non-cumulative preferred shares of the

par value of \$100.00 for each one of your company's

75 non-cumulative preferred shares of the par value

of \$100.00, and 3 of this company's common shares

without nominal or par value for each one of

your company's common shares of the par value of

\$100.00, the shareholders of your company to

thereafter and to be in full payment for the same

for the shares of this company."

and the

of the Board of Directors of the Company

to the said company

and the said company

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the Directors of the Company are hereby authorized to enact such by-laws, pass such resolutions, sign such documents, and do all such acts, matters and things as may be deemed necessary for the purpose of carrying such sale into effect in the terms or substantially in the terms of the said offer.

The Chairman appointed Mr. Hartland MacDougall and Sir Thos. Tait to act as scrutineers, and upon a vote being taken, the scrutineers handed in the following report:"

THE COMMISSIONER: Who were the directors at that time?

MR. MORUEN: The directors at that time were Sir Charles B. Gordon, Sir Herbert Holt, J.P. Black, C.R. Hosmer, John Baillie, F.G. Daniels, and W.A. Black.

THE COMMISSIONER: Directors of the old company?

MR. MORUEN: Directors of the old company, yes, my lord.

BY MR. MORUEN: Q. Then, Mr. Eversfield, we have the Minute Book now of the succeeding company. This book I show you is the Minute book of the Dominion Textile Company that was incorporated in 1922?

A. Yes, sir, the shareholders' Minute book.

Q. The shareholders' Minute book, yes.

Page 1: Annual meeting, 18th day of June, 1924:

"The results of the Company's operations for the fiscal year ended 31st March, 1924,





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Eversfield,

are presented in the accompanying balance sheet and Profit and Loss account, certified by your auditors.

5 Sales for the year amounted to \$21,002,284.92, compared with \$21,305,925.62 last year, and the surplus for the year, after deducting all charges, amounts to \$30,092.39. This amount has been placed to the credit of Profit and Loss Account, 10 which now stands at \$5,390,002.90.

Although the sales, as previously stated, were \$21,002,284.92, the amount is disappointing, as our plants, in the present state of efficiency, 15 are capable of turning out a much larger production.

You will doubtless be interested to know that during the past year we paid the Dominion Government approximately \$1,320,000 as income, 20 sales, excise tax and customs duties.

Since the organization of this company, some 19 years ago, it has manufactured and sold \$261,000,000 worth of cotton goods. During that time an amount equal to 2½% on the sales was 25 distributed in dividends on common stock.

Since the last report the outstanding bonds have been reduced by the sum of \$2,060,750.00, and the total bond indebtedness now amounts to 30 \$6,939,250.

The strong financial position of the Company

Overseas, 1933

presented in the accompanying balance sheet and Profit and Loss account, as filed by your

sales for the year amounted to \$81,000,000, compared with \$81,000,000 last year, and the surplus for the year, after deducting all charges amounts to \$30,000,000. This amount has been placed to the credit of Profit and Loss account, which now stands at \$5,300,000.00.

Although the sales, as previously stated, were \$81,000,000, the amount is distributed as our plants, in the present case of this are capable of turning out a new larger production.

You will doubtless be interested to know that during the past year we have the Dominion Government and we have sales, excise tax and customs duties.

Since the organization of this company, some 15 years ago, it has been steadily and steadily increasing its sales. During the year an amount equal to 2% on the sales was distributed in dividends on common stock.

Since the last report we have had sales have been reduced by the sum of \$1,000,000.00 and the total paid in common stock has amounted to

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Eversfield,

is due, largely, to the great increase in value of the various properties which were acquired in 1905. These properties were in a demoralized state at the time, but had great potential value, which fact has been completely demonstrated, and has gradually been brought to a high state of efficiency. Although the spinning and weaving properties are shown in our statement as being worth about \$33 per spindle, the replacement value would be approximately double this amount.

Amongst the factors contributing to the success of the company are: -

The benefits which have accrued from our Raw Cotton Department, which purchases first hand a very large proportion of the cotton consumed in our mills, eliminating many of the expenses which other companies have to pay middlemen.

Concentration of manufacturing into large units, thus saving overhead expenses.

Economies which have been put into force, resulting in a low overhead expense, and freedom from expensive losses either in bad debts or in raw cotton.

The profit and Loss Account shows:

|                              |              |
|------------------------------|--------------|
| Interest on bonds, and       |              |
| rent account,                | \$659,513.88 |
| Reserve for Bad and Doubtful |              |
| Debts and Pension Fund,      | 42,081.29    |
| Dividend on Preferred stock, | 135,842.00   |

is due, largely, to the great increase in value  
of the various properties which were acquired  
in 1905. These properties were in a somewhat  
state at the time, but of great potential value,  
which had been completely demonstrated,  
and had been brought to a high state  
of efficiency. Although the spinning and  
weaving properties are shown in our statement as  
being worth about \$15 per spindle, the replacement  
value would be approximately double this amount.  
Amount the factors contributing to the  
success of the company are: -  
The benefits which have accrued from our  
new cotton department, which purchases first hand  
cotton at a very low price, and which has  
in our mills, eliminating many of the expenses  
which other companies have to pay elsewhere.  
Conservation of man-power, which has been  
achieved, and which has resulted in  
theories which have been put into force,  
resulting in a low overhead expense, and freedom  
from excessive losses either in raw cotton or  
in the cost of

The profit and loss account shows:

Interest on bonds, and

rent, insurance,

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Eversfield,

Dividend common stock, \$900,000.00

Balance at credit of Profit  
and Loss Account, 5,390,002.90

The statement of liabilities shows the  
capital of the Company consists of 225,000 shares  
of no par value, and is in the balance sheet at  
\$15,000,000.

THE COMMISSIONER: You say, 225,000 shares no  
par value?

MR. McRUER: Yes, my lord, but it is entered in  
the balance sheet as \$15,000,000.

THE COMMISSIONER: Well, were those shares always  
at no par value?

MR. McRUER: In the new Company.

THE COMMISSIONER: Oh, you are talking of the  
new company?

MR. McRUER: Yes, my lord.

THE COMMISSIONER: Oh, I beg your pardon.

MR. McRUER: The 225,000 would be made up in this  
way: There were 50,000 shares issued to the members  
of the Syndicate.

THE COMMISSIONER: Have we another syndicate  
here?

MR. McRUER: No, but in the old company.

THE COMMISSIONER: Yes.

MR. McRUER: Of the old company, 50,000 shares  
issued to the members of the syndicate?

THE COMMISSIONER: Of these new shares.

Statement of Assets and Liabilities

Assets at credit of Profit and Loss account, \$3,300,000.00

The statement of Liabilities shows the

capital of the Company consists of \$3,300,000.00

of no par value, and in the balance sheet of

\$10,000,000.

THE COMPANY: You say, \$3,300,000.00 shares no

par value?

MR. BRADIE: Yes, my friend, but it is entered in

the balance sheet as \$10,000,000.

THE COMPANY: Well, were there shares of \$10

at no par value?

MR. BRADIE: In the new Company.

THE COMPANY: Oh, you are talking of the

new Company?

MR. BRADIE: Yes, my friend.

THE COMPANY: Oh, I beg your pardon.

MR. BRADIE: The \$3,300,000 would be made up in this

way: There were 33,000 shares issued to the company

at no par value.

THE COMPANY: We have no other explanation

MR. BRADIE: No, but in this old company.

MR. BRADIE: Yes.

MR. BRADIE: Of the old company, 33,000 shares

issued at the rate of \$100.00 per share.

THE COMPANY: I understand.



MR. McRUER: They were exchanged, my lord; 25,000 were issued to shareholders at \$100 a share and then the remaining shares were exchanged three for one which gave them 225,000 shares for the 75,000 shares --

MR. HEWARD: No par value.

MR. McRUER: Well, they are in the balance sheet at \$15,000,000. So that of the 50,000 of common shares originally issued they now appear in the balance sheet at \$10,000,000. However that is a mathematical calculation, and probably it is a little early to do it.

Then page 6:

"The Chairman then stated: --

I have very little to add to the report just read.

You will notice in the report it tells you we have made and shipped \$261,000,000 worth of goods since the organization of this company. There is but a very small profit per yard on our product. The amount of margin we have between Profit and Loss is so small that it makes it very difficult when anything abnormal occurs, in the price of raw cotton, for instance, or in our general expenses, to see much profit.

The duty on our goods, as you know, has been cut down in the last few years, and that is another factor which makes it difficult for us to make any very great profit.

We have had a succession of short cotton crops, and the effect of this has been reflected





in the business all over the world, and cotton mills are having a hard time, except on fine goods, on which they are doing fairly well, although even in that line of business it is very hard to make things meet.

The Mills in the United States are also suffering from the short crop, and the difficulty of selling goods at the very high prices which have to be asked when cotton is so high. These seven mills are able to absolutely unsell the Northern mills, through having cheaper power for one thing, and longer hours, and notwithstanding the fact that cotton is so high, and it is so difficult to make money, they seem to be selling goods almost away below cost in some cases, and this makes it extremely difficult for us in Canada also, because with the low rate of duty on these goods quite a large quantity of them find their way into this country.

One shareholder then asked if there was any chance of the figures given in the report being used by certain political parties at Ottawa, in criticising the reports made by the Company, and stated he thought it should be made quite clear in the report, so that it might be reported correctly in the newspapers, as the Progressives in Ottawa seem willing to seize hold of anything and everything to suit their purpose.

1930

in the business all over the world, and cotton  
mills are having a hard time, except on fine  
goods, on which they are doing fairly well,  
although even in that line of business it is a  
hard to make things out.  
The mills in the United States are also  
suffering from the short crop, and the difficulty  
of selling goods at the very high prices which  
to be named when cotton is so high. These new  
mills are sold to absolutely unskillful and Northern  
mills, which have been the cause of the  
and longer hours, and notwithstanding the fact  
that cotton is so high, and it is so difficult  
to make money, they seem to be selling goods almost  
away below cost in some cases, and this makes  
it extremely difficult for us in Canada also,  
because with the low rate of duty on these goods  
quite a large quantity of them find their way  
into this country.  
One manufacturer then asked if there was any  
chance of the figures given in the report being  
used by certain political parties at Ottawa,  
in criticizing the reports made by the C.M.A.,  
and stated he thought it should be made quite  
clear in the report, so that it might be reported  
in Ottawa seem willing to make hold of a thing  
and everything to suit their purpose.

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The Chairman replied that it was stated very clearly in the report that the amount mentioned was paid the government for income tax, sales tax, excise tax and customs duties on raw cotton and supplies, etc.

Another shareholder pointed out that the report showed the common stock at a valuation of \$15,000,000 and suggested that in future the common stock should be shown as consisting of 225,000 shares of no par value and mentioning the fact that the \$15,000,000 valuation is for bookkeeping purposes. This suggestion was favourably received."

The directors of the Company were:

Sir Charles Gordon, Sir Herbert S. Molt, J.P. Black, C.R. Hosmer, F.G. Daniels, W.A. Black, J.H. Webb.

Page 9:

"During the year a pension fund was established, and in this connection it was found necessary to enact a new by-law at the meeting of the Board of Directors held on the 5th day of September, 1923, to be known as by-law No. 23.

The question was asked, by a shareholder, as to what amount would be required for the pension fund each year. The Secretary stated that for the past year the sum of \$7,000 was required, and in addition to the interest on the total amount set aside for this fund.

The following figures show it was estimated  
very roughly in the report that the amount  
mentioned was paid the Government for income  
tax, sales tax, excise tax and customs duties  
on raw cotton and supplies, etc.

Another shareholder pointed out that the  
report showed the common stock at a valuation  
of \$12,000,000 and suggested that in future  
the common stock should be shown as consisting  
120,000 shares of no par value and mentioning  
the fact that the \$12,000,000 valuation is for  
the common stock only.

The directors of the Company were:

Page 2:

"During the year a pension fund was established  
and in this connection it was found necessary  
to enact a new by-law at the meeting of the  
Board of Directors held on the 11th day of September  
1900, to be known as by-law No. 25.  
The question was asked, by a shareholder,

as to what amount would be required for the pension  
fund and the answer was given that the amount  
required would be \$7,500 per annum.  
The Board of Directors then resolved that the  
amount of \$7,500 per annum be paid out of the  
profits of the Company.



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Eversfield

It was then suggested by Sir Herbert Molt  
that the sum of \$10,000 be set aside for the current  
year, in addition to the interest, to see how this  
would work out. This was favourably considered."

THE COMMISSIONER: How much for the current year?

MR. McRUER: \$10,000.

MR. HEWARD: \$10,000, plus interest.

MR. McRUER: Page 10, 20th May, 1925, Annual  
meeting:

"The results of the Company's operations  
for the fiscal year ended March 31st, 1925,  
are presented in the accompanying balance sheet  
and Profit and Loss account, certified by your  
Auditors.

The gross profit from manufacturing for  
the year amounted to \$1,684,908.90. Interest  
on investments \$263,759.89, and after paying  
all charges there remains a balance of \$275,014.26,  
which has been placed to the credit of Profit  
and Loss account.

Series A, C. and D bonds, which matured  
March 1st, 1925, were retired through our Invest-  
ment account. There are now outstanding \$5,172,000  
first and refunding mortgage bonds of an authorized  
issue of \$15,000,000.

The first six months operations of our fiscal  
year were very disappointing due to general trade  
depression, but the volume of business during the

RECEIVED

It was then suggested by Sir Herbert that the sum of \$1,000 be set aside for the year, in addition to the interest, to see how would work out. This was favourably received.

THE COMMISSIONER: How much for the current year?

MR. MONTGOMERY: \$10,000.

MR. MONTGOMERY: \$10,000, plus interest.

MR. MONTGOMERY: Page 10, 20th May, 1935, annual meeting.

"The results of the Company's operations for the fiscal year ended March 31st, 1935, are presented in the accompanying balance sheet and profit and loss account, certified by your auditor."

The gross profit from manufacturing for the year amounted to \$1,001,000.

on investments \$285,798.82, and after paying all charges there remains a balance of \$285,014.

which has been placed to the credit of profits and loss account.

Series A, C. and D bonds, which matured March 1st, 1935, were called through our interest.

first and returning mortgage bonds of an authorized issue of \$1,000,000.

The above are the results of the year 1935 and are being submitted to the Board of Directors.

Respectfully,  
Your obedient servant,  
Rost, Brydie & Co.



last six months was very satisfactory, and the business outlook is better than at this time last year.

Our Souther Raw Cotton Purchasing Department continues to show satisfactory results, supplying a very large proportion of our requirements at prices materially below those which cotton merchants supplying mills similar to ours were charging.

The eight cotton mills, bleachery, and print works, have been fully maintained and are in excellent condition for economical operation."

"Profit and Loss Account for 12 months ended 31st March, 1935:

|                                 |                |
|---------------------------------|----------------|
| Interest on bonds, rentals etc. | \$637,812.53   |
| Dividend - Preferred stock,     | 135,842.00     |
| Dividend - Common stock,        | 900,000.00     |
| Balance at credit,              | \$5,665,017.16 |

The Chairman then stated:

I think we may congratulate the shareholders in view of the general state of trade. Trade is not good in the Canadian business, as a rule, and I was just saying to Sir Herbert Holt that I had an extract from the Manchester Guardian which states that the March stock-taking of 97 Lancashire cotton spinning companies with a total paid-up capital of thirteen million pounds (almost fourteen million pounds) 57 paid dividends

last six months was very satisfactory, and the  
business outlook is better than at this time

Mr. Southern has gotten purchasing department  
continues to show satisfactory results, especially  
a very large proportion of our requirements at  
prices materially below those which cotton  
merchants supplying mills similar to ours were  
charging.

The eight cotton mills, bleachery, and  
print works, have been fully maintained and a  
profit and loss account for 1931

ended 31st March, 1932:  
Interest on bonds, rentals etc.  
Dividend - Preferred stock,  
Dividend - Common stock,  
Balance at credit,

The Chairman then stated:  
I think we may congratulate the shareholders  
in view of the general state of trade. Trade is  
not good in the Canadian business, as a rule,  
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I had an extract from the Manchester Guardian  
which states that the March stock-taking of 1931  
total paid-up capital of thirteen million pounds  
(almost fourteen million pounds) 12 paid dividends



arranging from  $2\frac{1}{2}$  to 20% per annum, thus absorbing one hundred and ninety-five thousand pounds.

That is only  $1\frac{1}{2}$  per cent. on the amount of paid-up capital. The other forty of the 97 companies were unable to make any payment whatever.

So that shows you what condition part of the trade is in over there. And in the United States things are not very good at all, especially in the north. Some of the southern mills are doing better but I think we may congratulate the shareholders on the showing we have made.

With regard to our raw cotton department, that is a department which is very useful to us, and Mr. Daniels and I went down south last October and visited all our different people down there. We have quite a staff down there now, and most of the raw cotton which we use now is purchased by that department, and the prices at which we have been able to get our cotton has very considerable bearing on the dividends of this company.

I do not like to say anything about business for the future. It has been better, but what it is going to be for the balance of the year I do not know. We need more population in this country, and we are in a position to take care of any extensions which may be necessary.

arranging from 25 to 300 per annum, thus apportioning

one hundred and ninety-five thousand pounds.

That is only if per cent. on the amount of pay

...were unable to make any payment whatever.

So that above you will find condition part of

...the states things are not very good at all,



5938

Everfield,

5        We have the money, and we have the organization  
to make a lot more stuff than we are making,  
and if the country needs stuff, the only way  
I can see they will need it is to get more people,  
and then we will be able to use more cotton  
goods.

10        You will note that the amount of \$100,000  
which was carried at the credit of pension  
fund reserve in the books of the company does  
not appear in this year's statement. It has  
been transferred to a committee in trust pending  
the incorporation of a separate trust and  
15        the appointment of a committee to administer  
all pensions."

THE COMMISSIONER: What is the sum said to be there?

MR. McRUER: \$100,000.

20        "If there are any questions any shareholder would  
care to ask before the closing of the adoption of  
the annual report I would be very glad to answer them  
if I can.

25        One shareholder then asked 'Have we any  
export trade?'

30        The Chairman replied 'None whatever. We  
are not doing any export at present, and I do  
not think it is likely that we will. Mr. Daniels,  
however, can answer that question better than  
I can.'

MR. DANIELS: 'The chances and opportunities of

to have the money, and we have the organization  
to make a lot more stuff than we are making,  
and if the country needs stuff, the only way  
I can see they will need it is to get more goods  
and then we will be able to use more cotton

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been transferred to a committee in order that  
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the appointment of a committee to administer  
all pensions."

THE CHAIRMAN: What is the sum said to be then?

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the annual report I would be very glad to answer them  
if I can."

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The Chairman replied: "None whatever. We  
are not doing any export at present, and I do  
not think it is likely that we will. Mr. Hamilton  
however, can answer that question better than



5939

Eversfield,

5 doing an export trade from this country are very remote. We have got to adopt the Northern American wage scale, which is practically 100 per cent. higher than that of Great Britain, and it is also 60 to 70 per cent. higher than that of the Southern States.'".

THE COMMISSIONER: 60 to 70 per cent. <sup>higher</sup> than the Southern States?

10 MR. McRUER: Yes, my lord. Page 17.

"Mr. Murray Williams then said:

15 'I do not think the meeting would be complete if we did not have an expression of appreciation from the shareholders, and I would like to move that the shareholders express their appreciation of the work of the directors and the management of the company.

20 I have always considered - although I do not pose as an expert in these matters - but I have always considered the Textile company one of the most expertly managed companies in this country. Sir Charles Gordon has just read some-  
25 thing showing the results of the English Cotton business, and the story is just as true now as it was during the great Post-War period of deflation, when inventories were falling at the rate of about a million dollars a minute, but all through that very trying period the  
30 Textile company made what I think is the most

1933

Wentworth

doing an export trade from this country are  
very remote. We have got to adopt the Northern  
American wage scale, which is practically 100  
per cent. higher than that of Great Britain,  
and it is also 50 to 70 per cent. higher than

THE COMMISSIONER: 50 to 70 per cent. higher than  
the British scale.

MR. MCKINNEY: Yes, my lord. Page 17.

MR. MCKINNEY: Yes, my lord.

'I do not think the meeting would be complete  
if we did not have an expression of appreciation  
from the shareholders, and I would like to say  
that the shareholders express their appreciation  
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have always considered the textile company one  
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country. Sir George Gordon has just read some-  
thing showing the results of the English Cotton  
business, and the story is just as true now

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the rate of about a million dollars a minute,  
but all through that very trying period the

5

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remarkable showing. They were one of the few companies in the world to go through that period with its flag flying.

Mr. Jas. Williams:- 'I have much pleasure in seconding the motion, and I concur in the remarks made. I think the statement that has been made to us must have been very pleasing to all the shareholders.'

The Chairman then said: 'I thank you very much for this expression of your good will, and I should have said something when on my feet before, but forgot. I want to con-

gratulate all the management of the company,

not myself, but Mr. Daniels, and Mr. Webb,

and all the officers of this company. I do

not know of any company anywhere who have a

more loyal staff. We have never had one

bit of friction in this company. They are loyal

to me, and loyal to Mr. Daniels, and work well

together.

Mr. Daniels then said: 'Sir Charles and Gentlemen: - Those remarks of Sir Charles'

unquestionably were intended for the staff

and the employees rather than for myself,

because I am only one of many. But I would

like to record my appreciation of the way the

staff, Mr. Webb, Mr. Dodd, and the heads of

all the departments, have come through the last

remarkable showing. They were one of the few companies in the world to go through that period with its lying flying.

Mr. J. W. Williams: "I have much pleasure in seconding the motion, and I consent in the remarks made. I think the statement that has been made to us must have been very pleasing to all the shareholders."

The Chairman then said: "I thank you very much for this expression of your good will, and I should have said something when on my feet before, but forgot. I want to congratulate all the management of the company, not myself, but Mr. Daniels, and Mr. Webb, and all the officers of this company. I do not know of any company anywhere who have a more loyal staff. We have never had one bit of friction in this company. They are loyal to me, and loyal to Mr. Daniels, and work well."

Mr. Daniels: "The Chairman and gentlemen: - Those remarks of the Chairman suggestively were intended for the staff and the employees rather than for myself, because I am only one of many. But I would like to record my appreciation of the way the staff, Mr. Webb, Mr. Daniels, and the board of all the shareholders, have been working for the past year."



few years, - particularly the last two years. Trade conditions have been upset, and the mills running three and four days a week. The heads of departments, superintendents, overseers, have been torn between the necessity for maintaining reduced expenses, and at the same time keeping up their organizations. In the same way, the operatives have gone through without complaining, and living on the work of three and four days a week without grumbling. I think a very large amount of credit is due to the way they have carried on and held together.

There is just one other point I might refer to there, and that is the close margin we have to operate on. The gross profits represented to-day show a profit of approximately 1 cent a yard on our grey cloth, and an additional 5/8th of a cent on the printed cloth. You have not got very much lee-way with that, and when you consider that on the average \$3.40 and \$4. printed shirt, our proportion of the profit in that is 4½ cents, it does not amount to very much."

Then the Profit and Loss Account: -

|                                         |              |
|-----------------------------------------|--------------|
| "March 31st, 1926, - Interest on Bonds, | \$310,320.00 |
| Dividend - Preferred stock,             | 135,842.00   |
| " Common stock,                         | 1,125,000.00 |
| Balance at credit,                      | 5,999,163.73 |

MR. BALLANTYNE: What date is that meeting in 1926?

Mr. Brydie

1924

few years, - particularly the last two years.

running three and four days a week. The heads

of department, superintendents, overseers, have

been torn between the necessity for maintaining

reduced expenses, and at the same time keeping

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amount of credit is due to the way they have

carried on and held together.

There is just one other point I might refer

to there, and that is the close margin we have

to operate on. The gross profits represented

to-day show a profit of approximately 1 cent a

yard on our grey cloth, and an additional 1/2 cent

of a cent on the printed cloth. You have

not got very much lee-way with that, and when you

consider that on the average \$3.40 and \$4. prints

shirt, our proportion of the profit in that is 4

cents, it does not amount to very much.

Then the Profit and Loss account: -

"Gross Sales, 1924, - Interest on notes, \$10,000,000.

"

Common stock, 1,100,000.

Balance at credit, \$3,333,100.

and, Mr. Brydie: That was in that meeting in 1924.



MR. McRUER: Did you read 1925?

MR. BALLANTYNE: I did not hear you read the Minutes of the 1926 meeting.

MR. McRUER: I am afraid we missed 1925. I do not think we read in the Profit and Loss account for 1925.

MR. BALLANTYNE: You did for 1926.

MR. McRUER: Yes, we just did that.

THE COMMISSIONER: Then you had better put it in now.

MR. McRuer: Page 12:

"Profit and Loss Account for  
12 months ended 31st March, 1925,

Interest on bonds, rentals etc. \$637,812.53

Dividend - Preferred stock, 135,842.00

" Common stock, 900,000.00

Balance at Credit, 5,665,017.16"

Then page 22:

"The Chairman then suggesting that Mr. Daniels might say a word in regard to the situation,

Mr. Daniels spoke as follows:

'Sir Charles, and gentlemen; whilst we have had apparently a fairly successful year, actually it could not be considered entirely satisfactory, when we consider the size of the company and its capacity. We have not yet been able to operate for any extended period to the fullest capacity of the company, and the operations have been more or less in a jumbled state.

3942

Wettable

MR. MORRIS: Did you read 1935?

MR. BILLYMERE: I did not hear you read the

minutes of the 1935 meeting.

MR. MORRIS: I am afraid we missed 1935. I do

not think we read in the profit and loss account for

1935.

MR. BILLYMERE: You did for 1935.

MR. MORRIS: Yes, we just did that.

THE CHAIRMAN: Then you had better put it in

the report, may be.

"Profit and loss account for  
12 months ended 31st March, 1935,

Interest on bonds, rentals etc. 9837,012.35

1935, 1934, 1933, 1932, 1931, 1930, 1929, 1928, 1927, 1926, 1925, 1924, 1923, 1922, 1921, 1920, 1919, 1918, 1917, 1916, 1915, 1914, 1913, 1912, 1911, 1910, 1909, 1908, 1907, 1906, 1905, 1904, 1903, 1902, 1901, 1900, 1899, 1898, 1897, 1896, 1895, 1894, 1893, 1892, 1891, 1890, 1889, 1888, 1887, 1886, 1885, 1884, 1883, 1882, 1881, 1880, 1879, 1878, 1877, 1876, 1875, 1874, 1873, 1872, 1871, 1870, 1869, 1868, 1867, 1866, 1865, 1864, 1863, 1862, 1861, 1860, 1859, 1858, 1857, 1856, 1855, 1854, 1853, 1852, 1851, 1850, 1849, 1848, 1847, 1846, 1845, 1844, 1843, 1842, 1841, 1840, 1839, 1838, 1837, 1836, 1835, 1834, 1833, 1832, 1831, 1830, 1829, 1828, 1827, 1826, 1825, 1824, 1823, 1822, 1821, 1820, 1819, 1818, 1817, 1816, 1815, 1814, 1813, 1812, 1811, 1810, 1809, 1808, 1807, 1806, 1805, 1804, 1803, 1802, 1801, 1800, 1799, 1798, 1797, 1796, 1795, 1794, 1793, 1792, 1791, 1790, 1789, 1788, 1787, 1786, 1785, 1784, 1783, 1782, 1781, 1780, 1779, 1778, 1777, 1776, 1775, 1774, 1773, 1772, 1771, 1770, 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1603, 1602, 1601, 1600, 1599, 1598, 1597, 1596, 1595, 1594, 1593, 1592, 1591, 1590, 1589, 1588, 1587, 1586, 1585, 1584, 1583, 1582, 1581, 1580, 1579, 1578, 1577, 1576, 1575, 1574, 1573, 1572, 1571, 1570, 1569, 1568, 1567, 1566, 1565, 1564, 1563, 1562, 1561, 1560, 1559, 1558, 1557, 1556, 1555, 1554, 1553, 1552, 1551, 1550, 1549, 1548, 1547, 1546, 1545, 1544, 1543, 1542, 1541, 1540, 1539, 1538, 1537, 1536, 1535, 1534, 1533, 1532, 1531, 1530, 1529, 1528, 1527, 1526, 1525, 1524, 1523, 1522, 1521, 1520, 1519, 1518, 1517, 1516, 1515, 1514, 1513, 1512, 1511, 1510, 1509, 1508, 1507, 1506, 1505, 1504, 1503, 1502, 1501, 1500, 1499, 1498, 1497, 1496, 1495, 1494, 1493, 1492, 1491, 1490, 1489, 1488, 1487, 1486, 1485, 1484, 1483, 1482, 1481, 1480, 1479, 1478, 1477, 1476, 1475, 1474, 1473, 1472, 1471, 1470, 1469, 1468, 1467, 1466, 1465, 1464, 1463, 1462, 1461, 1460, 1459, 1458, 1457, 1456, 1455, 1454, 1453, 1452, 1451, 1450, 1449, 1448, 1447, 1446, 1445, 1444, 1443, 1442, 1441, 1440, 1439, 1438, 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926, 925, 924, 923, 922, 921, 920, 919, 918, 917, 916, 915, 914, 913, 912, 911, 910, 909, 908, 907, 906, 905, 904, 903, 902, 901, 900, 899, 898, 897, 896, 895, 894, 893, 892, 891, 890, 889, 888, 887, 886, 885, 884, 883, 882, 881, 880, 879, 878, 877, 876, 875, 874, 873, 872, 871, 870, 869, 868, 867, 866, 865, 864, 863, 862, 861, 860, 859, 858, 857, 856, 855, 854, 853, 852, 851, 850, 849, 848, 847, 846, 845, 844, 843, 842, 841, 840, 839, 838, 837, 836, 835, 834, 833, 832, 831, 830, 829, 828, 827, 826, 825, 824, 823, 822, 821, 820, 819, 818, 817, 816, 815, 814, 813, 812, 811, 810, 809, 808, 807, 806, 805, 804, 803, 802, 801, 800, 799, 798, 797, 796, 795, 794, 793, 792, 791, 790, 789, 788, 787, 786, 785, 784, 783, 782, 781, 780, 779, 778, 777, 776, 775, 774, 773, 772, 771, 770, 769, 768, 767, 766, 765, 764, 763, 762, 761, 760, 759, 758, 757, 756, 755, 754, 753, 752, 751, 750, 749, 748, 747, 746, 745, 744, 743, 742, 741, 740, 739, 738, 737, 736, 735, 734, 733, 732, 731, 730, 729, 728, 727, 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126, 125, 124, 123, 122, 121, 120, 119, 118, 117, 116, 115, 114, 113, 112, 111, 110, 109, 108, 107, 106, 105, 104, 103, 102, 101, 100, 99, 98, 97, 96, 95, 94, 93, 92, 91, 90, 89, 88, 87, 86, 85, 84, 83, 82, 81, 80, 79, 78, 77, 76, 75, 74, 73, 72, 71, 70, 69, 68, 67, 66, 65, 64, 63, 62, 61, 60, 59, 58, 57, 56, 55, 54, 53, 52, 51, 50, 49, 48, 47, 46, 45, 44, 43, 42, 41, 40, 39, 38, 37, 36, 35, 34, 33, 32, 31, 30, 29, 28, 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 0.

Balance at Credit, 5,685,017.15

Then page 28:

"The Chairman then suggested that Mr. Davis

might say a word in regard to the situation,

Mr. Davis spoke as follows:

"Mr. Chairman, and gentlemen; whilst we have

had apparently a fairly successful year, especially

it could not be considered entirely satisfactory

when we consider the state of the country and its

capacity. We have not been able to operate

at the normal level in the last year (1935)

and the operations have been more

in line with a limited state.



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Eversfield,

5 We have not been able to get an equitable  
price for any length of time. One of the main  
reasons for that, of course, is the British  
situation. With 54 million spindles in pre-  
war days, and with 80 to 85 per cent. of that  
production exported, to-day the British manufacturer  
has lost approximately 50 per cent. of his exports  
and that has left what may be termed an over -  
10 developed state of approximately 20 million spindles,  
and it is only an opinion of mine, but I am  
thoroughly satisfied that for many years to come,  
they will not be able to find full employment for  
that spindle-age at a profit for any extended time.  
15 Many of these plants will become obsolete before  
that time comes. The result has been that they  
have had, in operating, to take a heavy loss,  
and on the authority of Sir Charles Macarrow,  
20 I presume the greatest English authority on the  
cotton industry in Lancashire, they have made  
a loss averaging for years, one million pounds  
sterling per week. The result is we have to  
25 meet the prices that such conditions have brought  
about. They are not, in the proper sense  
of the word, dumping prices, because they are  
prices they are selling world-wide, but, neverthe-  
less, we have to meet that with our different  
30 manufacturing conditions here.

To the south of us we have an almost similar

we have not been able to get an equivalent price for any length of time. One of the main reasons for that, of course, is the British situation. With 34 million spindles in production exported, to-day the British manufacturing industry is lost approximately 30 per cent. of its export and that has left what may be termed an over-valuation of the value of the British industry and it is only an opinion of mine, but I am thoroughly satisfied that for many years to come they will not be able to find full employment for that industry at a profit for any extended period. Many of these plants will become obsolete before that time comes. The result has been that we have had, in operating, to take a heavy loss, and on the authority of Mr. Charles Mackenzie, I presume the greatest English authority on the cotton industry in Lancashire, they have made a loss averaging for years, one million pounds sterling per week. The result is we have to meet the prices that such conditions have brought about. They are not, in the proper sense of the word, dumping prices, because they are prices they are selling world-wide, but, nevertheless, they are prices that are not in line with our domestic manufacturing conditions here.

To the south of us we have an almost similar

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condition of things, but, from a different cause. The plants in the south have been increasing very rapidly, and then, as each mill is built, it becomes a 24-hour proposition, and operating conditions at night are no different from those in the day-time, that is, the staff may alternate day or night, men, women and children working under the same conditions, with the result that there is to-day, and has been for some little time, an over-production there that has meant unsatisfactory prices, and to-day they are attempting to bring about a curtailment of 25%, which, in the long run, may help things.

These two factors have had their effect on us here, and it does not leave us in a position to work an equitable cost in pricing our goods, and as far as the complete plans are concerned it has simply been a case of more or less ignoring things and getting what we can.'

THE CHAIRMAN: You might say a word about a Raw Cotton Department.

MR. DANIELS: Our Raw Cotton Department has had a very successful year. During this past year we have bought about 50 per cent. more than in any other year, and have been taking care of approximately between 75 and 80 per cent. of our entire requirements. Their method of operating throughout Tennessee, Arkansas, Oklahoma,

condition of things, but, from a different point of view, the plants in the south have been increasing very rapidly, and then, as each mill is built, it becomes a new proposition, and operating conditions at night are no different from those in the day-time, that is, the staff may alternate day or night, men, women and children working under the same conditions, with the result that there is to-day, and has been for some little time, an over-production there that has meant unsatisfactory prices, and to-day they are attempting to bring about a curtailment of 25%, which, in the long run, may help things. These two factors have had their effect on us here, and it does not leave us in a position to work an equitable cost in pricing our goods and as far as the complete plans are concerned it has simply been a case of more or less things and getting what we can.

THE CHAIRMAN: You might say a word about a new Cotton Department.

MR. BRYDIE: Our new Cotton Department has had a very successful year. During this past year we have bought about 50 per cent. more than in any other year, and have been making some of approximately 15 per cent. and 20 per cent. of the whole.

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Mississippi, North East Texas, and in the better section of Georgia, is, that our local representative buys direct the Gin, that is, the running receipts of the day, and without waiting to have them concentrated, and thus running up concentrating charges, it is billed direct in to us at the pick-up prices. The result is that we will get perhaps in a day's receipts of seventy-five bales at a gin, twenty different grades of cotton. Few concerns anywhere could undertake to take up these running receipts, with the result that we are able to get them at times from as much as 2½ cents per pound under what a trader would be forced to ask if he ~~will~~ were asked to sell us one, two or five thousand bales, all of even-running grade and staple. In collecting five thousand bales, he would probably have to buy twenty-five thousand bales, to get his total requirements, and naturally he would have to pay the expenses of that, and he must take a chance on profit and loss.

A SHAREHOLDER: Might I ask in regard to manufactured material, how you find competition? Is it keener from England or the South?

MR. DANIELS: In talking of white cottons we get from England, there was a time when the south on coarser lines were considerably lower than the British, but the situation to-day

Mississippi, North West Texas, and in the best  
section of Georgia, is, that our local representa-  
tive pays direct the gin, that is, the running  
receipts of the day, and without waiting to have  
them concentrated, and thus running up concen-  
trating charges, it is billed direct in to us  
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will get perhaps in a day's receipts of seventy-  
five bales of a gin, twenty different grades  
of cotton. Few concerns anywhere could undertake  
to run on such a basis. The result is that we  
result that we are able to get them at times  
from as much as 25 cents per pound under what  
a trader would be forced to ask if he will were  
needed to sell as one, two or five thousand bales  
all of even-running grade and staple. In  
collecting five thousand bales, he would probably  
have to buy twenty-five thousand bales, to get  
his total requirements, and naturally he would  
have to pay the expenses of that, and he must  
take a heavy loss. A SHREVEPORT: Might I ask in regard to  
manufactured material, how you find competition?  
Is it keener from England or the South?  
Mr. DARTMOUTH: In talking of white cottons  
we are talking about a line of  
the same as before, that was manufactured  
last year in 1911, and the situation is very

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Eversfield

is, that the British manufacturer is actually lower in many cases than the southern manufacturer is, both on medium counts and the finer counts.

5 A SHAREHOLDER: Can you say how much cotton is imported into this country that might be made here, if we were adequately protected?

10 MR. DANIELS: It is very difficult to say just what proportion of the imports might be made here, because we do not know what they are. In the Government Blue Book they are all classed together, and you get an average price which is no indication of what the real situation is.

15 For instance, you might bring in a low grade sugar bag lining, and a higher priced broadcloth, and the two would give you an average price which would be a long way off the actual mark. But I would say from what I have seen, and believe  
20 to be an average situation, practically 50 per cent. of the imports could be eliminated if we had an opportunity of working under an equitable tariff.

25 A SHAREHOLDER: Could you say what that 50% would amount to, roughly, in money?

30 MR. DANIELS: There would be at least \$10,000,000 of additional production that could be taken care of in this country. There are a great many anomalies in the tariff, as we could show if we were discussing the tariff. And there are

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Eversfield,

none that could not be ironed out, and the Government revenue met without any difficulty.

A SHAREHOLDER: Is it a fair question to ask you what profit the Company earns per yard on cotton, and when a man purchases a shirt, say, what profit he would pay on the cotton.

MR. DANIELS: I do not think there is any particular secret as far as that goes.

Our gross profit for last year works out at 93.3 hundredths of a cent per yard.

A SHAREHOLDER: Less than one cent per yard?

MR. DANIELS: Yes.

A SHAREHOLDER: What happens to the buyer of shirts?

MR. DANIELS: That would represent about two and three-quarters cents per shirt if our profits were wiped out.

THE CHAIRMAN: Is there any other question? If so, we will answer them if possible. If not, I move the adoption of the report."

Eleventh May, 1927; Page 27:

"Sales for the year amounted to \$20,392,703.12, compared with \$21,718,269.01 last year. The decrease in sales was due to the lower cost of raw cotton, which enabled us to reduce the average sale value of goods approximately 17%. This reduction was partly overcome by an increase of 9.9% in the yardage and weight of goods sold.

The gross manufacturing profit was \$1,825,293.70,

none that could not be ironed out, and the  
Government revenue not without any difficulty.  
A SHAREHOLDER: Is it a fair question to ask  
you what profit the Company earns per yard on  
cotton, and when a man purchases a shirt, say,  
what profit he would pay on the cotton.  
MR. BRYDIE: I do not think there is any  
particular secret as far as that goes.  
Our gross profit for last year works out at 33  
hundredths of a cent per yard.  
A SHAREHOLDER: Less than one cent per yard?  
MR. BRYDIE: Yes.  
A SHAREHOLDER: What happens to the buyer of an  
shirt, that is, what happens to the profit?  
Three-quarters of a cent per shirt is our profit  
wiped out.  
THE QUESTION: Is there any other question?  
No, we will answer them if possible. If not, I  
the adoption of the report."  
Eleventh May, 1927, Page 27:  
"Sales for the year amounted to \$20,322,700  
compared with \$17,718,300 of last year. The  
decrease in sales was due to the lower cost of  
raw cotton, which enabled us to reduce the average  
sale value of goods approximately 17%. This  
resulted in a saving of 17% in the cost of  
of 2.25 in the yardage and value of goods sold.  
The profit margin, which was 17%, was 17%."

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Eversfield,

interest on investments, \$276,692.17, and after paying interest on bonds and dividends on preferred and common stock, the surplus, amounting to \$530,823.87, was placed to the credit of Profit and Loss account. The 11 manufacturing and converting plants have been fully maintained as usual and are in exceptionally good condition.

We have much pleasure in commending the efficiency of the staff and the loyalty and diligence of the employees.

THE COMMISSIONER: It does not say what the Profit and Loss account amounts to.

MR. MCNEUZ: "Profit and loss account for 12 months ended 31st March, 1927,

|                             |               |
|-----------------------------|---------------|
| Interest on bonds,          | \$310,590.00  |
| Dividend - Preferred stock, | 135,842.00    |
| Dividend - Common stock,    | 1,125,000.00  |
| Balance at credit,          | 6,529,987.60" |

Page 31:

"The Chairman then suggested that Mr. Daniels might say a word in regard to the operations of the Company, and Mr. Daniels spoke as follows:

"With regard to the Company, gentlemen, as you know, we built a considerable addition to our Montmorency mill some time ago, and within the next 60 days we will have completed the revamping and re-aligning of machinery in that plant from one end to the other.

interest on investments, \$275,000.00, and after  
 paying interest on bonds and dividends on preferred  
 and common stock, the surplus, amounting to  
 \$350,000.00, was added to the credit of Profit  
 and Loss account. The 11 manufacturing and  
 converting plants have been fully maintained as  
 and are in exceptionally good condition.

We have much pleasure in commending the ability  
 of the staff and the loyalty and diligence of the  
 employees.

THE COMPANY'S POSITION: It does not say what the  
 Profit and Loss account amounts to.

Mr. [Name] Profit and Loss account for 1914  
 ended 31st March, 1915.

|                             |              |
|-----------------------------|--------------|
| Interest on bonds,          | \$210,000.00 |
| Dividend - Preferred stock, | 125,000.00   |
| Dividend - Common stock,    | 1,125,000.00 |
| Balance at credit,          | 6,525,987.00 |

Page 31:

...  
 what say a word in regard to the operations of  
 the Company, and Mr. [Name] spoke as follows:  
 "With regard to the Company, gentlemen, as  
 you know, we built a considerable addition  
 to our manufacturing plant some time ago, and  
 within the next 30 days we will have

completed the re-equipment and re-aligning of  
 the plant in that part from the end to the



This is already showing very satisfactory results, and when completed will unquestionably reduce the cost of operation and handling.

In all of our other plants considerable machinery has been added throughout the year, and particular attention has been paid to the carding and picking. These are to-day in the high state that it is possible to bring in. There are very few cards left that are ten years old. The average life of a card is 30 to 40 years.

With regard to the converting, the situation is not so satisfactory. The changes that have taken place in buying have resulted in the manufacturer being practically the manufacturer and the whole aler, so that the print works has not worked to its capacity. The orders have become so small that considerably more time is occupied in changing from one pattern to another than is actually occupied in the running, so that to give the quick delivery that seems to be required and necessary to-day under existing conditions, it has been decided to add an additional eight printing machines to the large plant, with a general re-vamping of the plant throughout, to take care of the particular requirements.

This will not in any way reduce our cost.

the cost of operation and handling.

In all of our other plants considerable machinery has been added throughout the year, and particular attention has been paid to the grading and picking. These are today in the high state that it is possible to bring in. There are very few cases left that are ten years old. The average life of a card is 30 to 40 years.

With regard to the converting, the situation is not so satisfactory. The changes that are

taken place in buying have resulted in the manufacturer being practically the manufacturer and the wholesaler, so that the print works have not worked to its capacity. The orders have become so small that considerably more time is occupied in changing from one pattern to

another than is actually occupied in the printing so that to give the quick delivery that would be required was necessary to-day under existing conditions, it has been decided to add an

additional plant printing in order to be able to take care of the business throughout the year. This is a very important step and will be of great value to the business.



It is going to be an actual expenditure,  
without any material results from the profit  
point of view, other than the fact that it  
will put us in a position to sell our grey  
goods in a completed state, and in that respect  
we will benefit by it. We expect that before  
the end of the year we will have twenty-four  
printing machines running, and that will put us  
in a position to take care of any type of printed  
goods now used in this country.

Competition, of course, is very keen,  
particularly from Britain, just now, in the grey  
and medium class of white goods.

I suppose I should not harp on that point,  
as I think I referred to it last year, but it is,  
if anything, keener to-day than then, because  
the protection accorded to-day is not equal  
to the actual difference to labour in our mills  
and that in the Lancashire mills. We might  
get some relief in that respect, but that is  
something we cannot promise to-day.

We have the pleasure of reporting the  
officers and heads of various departments, and  
the superintendents and employees as a whole,  
working very harmoniously, and very enthusiastically  
with us, with a degree of loyalty that would be  
hard to find anywhere, and if this continues I  
do not think we should find ourselves in any

It is going to be an actual expenditure, without any material results from the point of view, other than the fact that it will put us in a position to sell our Gray goods in a completed state, and in that respect we will benefit by it. We expect that before the end of the year we will have twenty-four printing machines running, and that will put in a position to take care of any type of printing now used in this country. Goods now used in this country, of course, is very keen, particularly from Britain, just now, in the and medium class of white goods. I suppose I should not harp on that point as I think I referred to it last year, but I think it anything, keener to-day than then, because the protection accorded to-day is not equal to the actual difference to labor in our mills and that in the Lancashire mills. I get some relief in that respect, but that is something of a small matter. We have the pleasure of reporting the officers and heads of various departments, the superintendents and employees as a whole, working very harmoniously, and very enthusiastically, with us, with a degree of loyalty that would make us think we should find ourselves in a

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Eversfield

serious difficulties during the coming year.

With regard to business, the outlook is that for the next three or four months anyway, we will probably be operating to as nearly full capacity as we have at any time in the past two or three years, but the general business is of such a hand to mouth nature it might dry up at any moment. We never know just what the situation is going to be. Several of our mills for two years now have never operated on more than three weeks' orders ahead."

Then 16th of May, 1928; at page 34:

"Sales for the year amounted to \$19,707,901.77 compared with \$20,392,708.12 last year.

The gross manufacturing profit was \$1,532,407.43 and interest and profit on sale of investments \$371,345.79. The surplus after paying interest on bonds and dividends on preferred and common stocks amounted to \$332,622.22 which was carried forward to the Credit of Profit and Loss account.

The additions to the print works, the referred to at the last annual meeting, have been carried out. 20 printing machines are now installed, with space for additional machines. Practically all the new complementary machinery is in place and operating, and the balance of the machinery is being re-located to conform with the





new plans and routine of cloth through process.

This plant will now bleach, dye, print and finish any class of cotton, silk and artificial silk cloths up to 60 inches wide.

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During the first six months of the year all your plants ran to capacity, but, owing to trade conditions and importations, the production during the last six months was reduced from between 75 per cent. and 50 per cent. which latter is the basis of operation at present.

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During the year the Tariff Advisory Board reviewed the conditions in the cotton industry in Canada. We find it difficult to reconcile the facts laid before the Board which the recent Tariff submitted by the Minister of Finance.

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The products of this Company were given a reduction of from two and a half per cent. to seven and a half per cent. under the general tariff, in addition to a number of ~~pre~~ reductions in the already inadequate Preferential Tariff."

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Profit and Loss account for 12 months ended 31st March, 1928:

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|                             |               |
|-----------------------------|---------------|
| "Interest on Bonds,         | \$310,320.00  |
| Dividend - Preferred stock, | 135,842.00    |
| " " Common " "              | 1,125,000.00  |
| Balance at credit,          | 6,862,658.82" |

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Page 37:

"THE CHAIRMAN: During the year we have made a

new plans and routine of cloth through process.  
This plant will now process, dye, print and finish  
any class of cotton, silk and artificial silk  
clothes up to 60 inches wide.

During the first six months of the year all  
your plants ran to capacity, but, owing to trade  
conditions and importations, the production during  
the last six months was reduced from between 75  
per cent. and 80 per cent. which latter is the  
basis of operation at present.

During the year the Tariff Advisory Board  
has been in session in the Tariff Commission  
in Canada. We find it difficult to reconcile  
the facts laid before the Board with the recent  
tariff submitted by the Minister of Finance.

The products of this industry have given a reduction  
of from two and a half per cent. to seven and a half  
per cent. under the General Tariff, in addition to  
a number of the reductions in the already inadequate  
tariff.

Profit and loss account for 12 months ended 31st March

£10,280.00  
£10,280.00  
£1,100.00  
£1,100.00

The following table shows the results of the year 1931-32



5953

Eversfield,

considerable number of extensions to plant, and I will ask Mr. Daniels to explain them to you.

MR. DANIELS: First, with regard to the sales. You will notice they are down some \$300,000 below last year. That is due largely to the temporary breaking down, I should say, of the distributing channels between the wholesale and retail trade. Our business with the manufacturing trade has been fully maintained. There has been, due largely to the hand to mouth buying on the part of the retailer, and the need for quick delivery - as he has been circularized from all parts of the country, and offered goods from stock, and being only just a night's run from either Buffalo, New York or Boston, depending on his locality, they are able to sell him into these points perhaps something a little different to anything offered from the Canadian business, and in that way we have lost a very large amount of business. The wholesale houses have been loyal to us, but they have not been getting their share of this business.

With regard to the additions to plant, you will notice that the land, buildings and much very account is up some \$700,000. During the year we put on an addition, or rather three additions, at Magog. The first is the printing plant, which is some 440 feet long, reinforced concrete

considerable number of extensions to plant, and  
will ask Mr. Daniels to explain them to you.  
Mr. Daniels: First, with regard to the  
You will notice that the land, buildings and equipment  
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the temporary breaking down, I should say, of the  
distributing channels between the wholesale  
and retail trade. Our business with the manu-  
facturing firms has been fully maintained. There  
has been, due largely to the need to maintain  
paying on the part of the retailer, and the  
need for quick delivery - as we have been circum-  
stanced from all parts of the country, and offered  
to run from either Buffalo, New York or Boston,  
depending on the locality, they are able to sell  
him into these points perhaps something a little  
different to anything offered from the Canadian  
business, and in that way we have lost a  
very large amount of business. The wholesale  
business have been loyal to us, but they have not  
been getting their share of this business.  
With regard to the extensions to plant, you  
will notice that the land, buildings and equipment  
the first is the printing plant,  
it is some 450 feet long, reinforced concrete

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throughout. The necessity for it was due to the fact that the old print works, established nearly 40 years ago, was built and intended to take care of eight machines only. In the interval there have been added without additional buildings, some seven additional machines, and the changes in process have necessitated a great many other machines such as agers, etc. that were not necessary in the early days, and that meant that machinery was jammed, and very much out of line. This involved a very heavy expenditure, but we found it was necessary to keep up with the growth and requirements of the trade. We are now in a position to proceed with anything that is printable in cotton, silk, or artificial silk, and up to twelve colours in cloth 60 inches wide.

In addition to this work at the Print works the addition to the Montmorency mills put on two to three years ago necessitated our adding a building 70 by 140 feet, five storeys, and about 40,000 additional spindles, revamping some mules, and odds and ends to the extent of some \$200,000 in the shape of machinery, etc..

We do not have any false impression that we have got the best in the way of a cotton mill, but we think our plants will compare to-day very favourably with any similar plants. The unfortunate part we have to face is with regard





to trade conditions. For some time now we have been operating three days a week. As we were beginning to lose some operatives, and these, very naturally would be from the best of our operatives, we have for the present curtailed to the extent of about one-third, and have laid off about one-third of our operatives and are running the rest on full time.

I hope, however, these conditions will not continue, and there has been somewhat of an improvement in conditions during the past 10 days. With improved and normal weather conditions we feel that the distribution through the wholesale and retail channels ought to very materially improve the situation. That, at the present time, is where the stumbling block is. Our production for re-manufacturing purposes has been fairly maintained, and we have had at least our share of the business so far.

If there are any questions I am ready to answer them.

A SHAREHOLDER: Do I understand that buyers are buying direct from the manufacturers instead of through the wholesaler, and is it likely to continue, as in the grocery business?

MR. DANIEL: They are buying from American wholesalers and American jobbers. They have been sending their travellers in here, calling

to trade conditions. For some time now we have  
been operating three days a week. As we were  
beginning to lose some operatives, and these,  
very naturally would be from the best of our  
operatives, we have for the present curtailed  
to the extent of about one-third, and have laid  
off about one-third of our operatives and are  
turning the rest on full time.

I hope, however, these conditions will not  
continue, and there has been somewhat of an  
improvement in conditions during the past 10 days  
with improved and normal weather conditions we  
feel that the distribution through the wholesale  
and retail channels ought to very materially  
improve the situation. That, at the present  
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production for re-manufacturing purposes has  
been fairly maintained, and we have had at least  
our share of the business so far.

If there are any questions I am ready to  
answer them.  
A question: Do I understand that buyers  
are buying direct from the manufacturers instead  
of through the wholesaler, and is it likely to  
continue, as in the grocery business?

MR. DANIEL: They are buying from  
wholesalers and not from manufacturers. They have  
not yet left the wholesaler in any way.

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Eversfield,

on the wholesale, and when they get through with the  
wholesale, they immediately turn to the retail,  
large and small, and particularly do we find  
this to be the case in the larger communities  
throughout the country where there is a large  
retail or general store.

I should think that at least fifty communi-  
cations have come across my desk in the last three  
months, sent out by manufacturers themselves  
by direct circulars to the prospective buyer,  
pointing out the fact that they had purchased  
cotton many months ago when the price was much  
below existing prices, and while this stock lasted,  
they would be glad to supply it at figures well  
below listed prices, and this is going direct  
to the retailer, which has made it particularly  
difficult for the wholesaler here. That is  
the situation we have to meet, and that in a  
measure should come under the dumping clause.

THE CHAIRMAN: There has been a great deal  
of money spent on getting new plant and machinery  
and in keeping things up to date, and in  
weaving especially we have many machines now  
that we had not before. In the Mount Royal  
mill we took Lord Willington over and he remarked  
'I do not see many people in this mill at all';  
as a matter of fact, there are not very many

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on the wholesale, and when they get through with  
 wholesale, they immediately turn to the retail  
 large and small, and particularly do we find  
 this to be the case in the larger communities  
 throughout the country where there is a large  
 retail or small trade.  
 I would like to say that in the last  
 a year have come across my desk in the last  
 months, sent out by manufacturers themselves  
 by direct shipment to the prospective buyer,  
 pointing out the fact that they had purchased  
 cotton many months ago when the price was much  
 below existing prices, and while this stock  
 they would be glad to supply it at figures well  
 below listed prices, and this is going direct  
 to the retailer, which has made it particularly  
 difficult for the wholesaler here. That is  
 the situation we have to meet, and that is a  
 measure should come under the dumping clause.  
 THE CHAIRMAN: There has been a great deal  
 of money sent on getting new plant and machinery  
 and in keeping things up to date, and in  
 reviving especially we have many machines now  
 that we had not before. In the month of  
 all we took Lord Willington over and he remarks  
 "I do not see many people in this mill at all."  
 as a matter of fact, there are not very many

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because (depending on the class of goods) we have up to 60 looms to the weaver, and that is only one of our mills. Under these conditions it is no wonder there are not so many people to be seen.

MR. DANIELS: There have been more changes in the process ~~in-the~~ of manufacturing cotton goods in the last three years than in the last 50 or 100 years. By means of time studies we have determined cause and effect and have gone out to eliminate waste. The causes for warp breaks, for instance; the result has been that we have in the Mount Royal Mill reduced the warp breaks from what was normal condition of about 25 breaks per loom per day to between 4 and 6 a day, and that has allowed the weaver to handle four or five times as many looms as he or she was handling before, without any delay in the work.

special general meeting of the shareholders, 7th January, 1929, page 40:

"Sir Charles Gordon occupied the chair, and requested the Secretary to read the notice calling the meeting.

Mr. Webb read the notice of the meeting, as follows:

'Notice is hereby given at a special general meeting of the shareholders of Dominion Textile Company, Limited, will be held at the head office

... (depending on the class of goods) ...  
... up to 100 items for the year, and that is ...  
... one of our clients. ...  
... it is no secret there are not so many people to ...  
...  
... Mr. ... there have been some changes ...  
... in the process of ... of ...  
... in the last few years ... in the last 10 or ...  
... 100 years. ...  
... and effect and have gone out ...  
... The reason for this ...  
... for instance; the result has been that we have ...  
... in the last few years ...  
... from what was ... of about 10 ...  
... per cent per day to between 4 and 6 a day, and ...  
... that it is allowed the owner to ...  
... five times as many items as he ...  
... handling ... without any delay in the work. ...  
... special ... of the shareholders, ...  
... January, ...  
... this ... has been ...  
... requested the secretary to ...  
...  
... Mr. ... of the ...  
... follows:  
...  
... of the ... of ...  
... Company, Limited, will be ...

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of the Company, No. 710 Victoria Square, in the City of Montreal, on Monday, the 7th day of January, 1929, at the hour of 12 o'clock noon, for the purpose of considering, and, if deemed advisable, of

(a) Sanctioning, ratifying and approving a by-law enacted by the directors of the company increasing the authorized common share capital of the company from two hundred and twenty-five thousand (225,000 shares) to three hundred and fifty- thousand (350,000) shares without nominal or par value by the creation of one hundred and twenty-five thousand (125,000) additional common shares without nominal or par value; and

(b) sanctioning, ratifying, and approving a by-law enacted by the directors of the company providing for the guarantee by the company of the payment of principal of and interest on one million six hundred thousand dollars (\$1,600,000) principal amount of five and a half per cent. First Mortgage Bonds, Series "A", of Drummondville Cotton Company Limited, to be dated December 1st, 1928, and matured December 1st, 1933, and also providing for the method of evidencing such guarantee and settling related details."

BY MR. McRUER: Mr. Eversfield, there is a reference in this booklet that has been filed to a new issue of capital stock, in 1928. That would be in the

of the company, No. 710 Victoria Square, in the  
 City of Montreal, on January, the 7th day of  
 January, 1938, at the hour of 12 o'clock noon,  
 for the purpose of considering, and, if deemed  
 advisable, of

(a) amending, revising and adding a  
 by-law enacted by the directors of the company  
 relating to the authorized common shares as set  
 forth in the company from two hundred and twenty-five  
 thousand (225,000 shares) to three hundred and  
 fifty thousand (350,000 shares) without paying  
 on par value by the creation of one hundred and  
 twenty-five thousand (125,000) additional common  
 shares without nominal or par value; and

(b) amending, revising, and approving  
 a by-law enacted by the directors of the company  
 providing for the payment of the interest on  
 of the payment of principal of and interest on  
 one million six hundred thousand dollars (\$1,600,000)  
 principal amount of five and a half per cent.

That the company, having, in accordance with  
 Cotton Company Limited, to be dated December 1st  
 1938, and entered December 1st, 1938, and also  
 providing for the method of withdrawing such  
 guarantee and setting related details.

It is hereby resolved, that the company, in 1938, that would be in the



Directors Minutes, I suppose? A. That is the reference to it that has just been read, is it not?

MR. HEWARD: That is the authorization, authorizing an increase in the capital.

BY MR. McRUER: For taking over the Drummondville plant? A. For that and other purposes.

Q. Well, what was done there, apparently, was that 40,000 common shares were issued? A. Yes, sir.

Q. At \$75.00 per share? A. Yes, sir.

Q. At what ratio were they issued? A. One share to the holder of every five.

Q. One share to the holder of every five of common stock? A. Yes, sir.

Then page 43, Annual meeting, 15th May, 1929:

"Sales for the year amounted to \$21,262,400.78, compared with \$19,797,901.07 last year.

A year ago your plants were operating to about 50 per cent. of capacity, and during the first six months of the fiscal year this condition obtained. During the latter half of the year, the mills were practically fully occupied, and at present are working to about 80 per cent. of capacity.

Heavy over-production in the mills in both England and the United States continued throughout the year, making it difficult to obtain a fair price for goods sold in the Canadian market. We have been accepting all business

revelation

Director's Minutes, I suppose?

reference to it that has just been made, is it not?

MR. HAYWARD: That is the authorization,

authorizing an increase in the capital.

BY MR. HAYWARD: For taking over the management?

plant?

.. all, what was done there, especially,

was that 40,000 common shares were issued? A. Yes, sir.

.. at \$75.00 per share? A. Yes, sir.

.. at what price were they issued? A. One share

to the holder of every five.

.. one share to the holder of every five of

common stock? A. Yes, sir.

What was the result of this?

.. sales for the year amounted to \$1,000,000.

compared with \$1,200,000 last year.

A year ago your business was operating at about

50 per cent. of capacity, and during the first

six months of the fiscal year this condition

obtained. During the latter half of the year,

the mills were practically fully occupied.

and the present was working at about 80 per cent.

of capacity.

Heavy over-production in the mills in

both England and the United States continued

throughout the year, making it difficult to

dispose of the goods sold in the Canadian

market.



5960

Eversfield,

5 offered, regardless of price, and are hopeful that present manufacturing operations will be maintained during at least the first six months of this year. The Raw Cotton Department has functioned successfully and profitably throughout the year.

10 During the year we were offered, and, after careful consideration, purchased two tire fabric plants, viz, the Canadian Connecticut Cotton Mills of Sherbrooke, and the Jenckes Canadian Company at Drummondville. These companies have been incorporated under the names of the Sherbrooke Cotton Company Limited, and the Drummondville Cotton Company Limited, respectively, and are being operated as subsidiaries of your company.

20 The machinery in the latter company is now being revamped and considerable additional machinery added, materially increasing the capacity of the plant to care for the growing needs of the automobile industry, and at the same time with a view to improving the quality of the tire fabric produced.

25 In the Sherbrooke Cotton Company tire fabric will continue to be produced, and machinery is now on order to enable the Company to produce a number of additional lines to be converted in the print works at Magog.

...and are hopeful  
that present manufacturing operations will be  
maintained during at least the first six months  
of this year. The present situation in  
timbered successfully and profitably through  
out the year.

During the year we were offered, and, after  
careful consideration, purchased two large  
fabric plants, viz., the Canadian Connection  
Cotton Mills of Sherbrooke, and the Tanquer  
Cotton Mills of Sherbrooke. These  
companies have been incorporated under the laws  
of the Province of Quebec, Canada, and  
the Sherbrooke Cotton Company Limited, and  
the Grandmoundville Cotton Company Limited, res-  
pectively, and are being operated as subsidiaries  
of your company.

The machinery in the latter company is now  
being replaced and modernized with  
machinery which, it is expected, will  
enable the plant to care for the growing demand  
of the automobile industry, and at the same time  
with a view to improving the quality of the fibre  
which is produced.

As the business of the latter company is now  
being expanded to include the manufacture of  
textiles, it is expected that the company will  
be able to supply the market for a number of  
years to come.

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The payment for these properties has been partially financed by the issue of 45,000 additional shares of your company's no-par value common stock, all of which have been taken up and paid for.

The work of re-locating machinery in the print works has continued throughout the year, and is now nearing completion. All plants have been well maintained, and are operating efficiently.

Profit and Loss Account, 12 months ended 30th, of March, 1929:

|                              |                |
|------------------------------|----------------|
| Interest on Bonds,           | \$308,220.00   |
| Premium on bonds redeemed,   | 3,000.00       |
| Dividend, - Preferred stock, | 135,842.00     |
| " " Common stock,            | \$1,180,850.00 |
| Balance at credit,           | 7,211,414.71   |

Liabilities of the Company: -

Capital, - Common stock (270,000 shares) no par value, \$18,375,000 -

THE COMMISSIONER: How many shares, did you say?

THE SECRETARY: 270,000.

MR. McRUER: Page 49:

"Upon the invitation of the Chairman, Mr. Daniels made the following remarks:

"The past year, gentlemen, has been one of increasing activities along the majority of the lines of the parent company. The first six months of the year were decidedly disastrous,

1921

1921

The payment for these properties has been

partially financed by the issue of 40,000 additional shares of your company's no-par value common stock

all of which have been taken up and paid for.

The work of re-locating machinery in the

plant works has continued throughout the year,

and is now nearing completion. All plants have

been well maintained, and are operating efficiently

Profit and Loss account, 12 months ended 30th of March

1921:

Income from operations

3,000.00

100,000.00

11,100,000.00

7,000,000.00

Liabilities of the Company: -

Capital - Common stock (20,000 shares) no par

value, \$20,000.00 -

THE ORGANIZATION: Now many shares, 311 per

you say?

THE ORGANIZATION: Now many shares, 311 per

THE ORGANIZATION: Now many shares, 311 per

"Upon the invitation of the Chairman, Mr.

THE ORGANIZATION: Now many shares, 311 per

"The past year, gentlemen, has been one of

increasing activities along the majority of the

lines of the parent company. The first six

months of the year have been particularly busy.



5 but the last six months were exceedingly active  
months, and the sales were brought to a point of  
about a million and a half in excess of the  
previous year. This, of course, is not taking  
into consideration the activities of the two  
acquired mills, the Drummondville and the Sher-  
brooke Cotton Companies. We had a very  
satisfactory year in many respects. It was a  
10 year in which it has been a fight for every  
dollar's worth of business we have had, but we  
have been, I think, extremely fortunate. All  
departments have worked extremely satisfactorily.  
While no mention is made here, I would say that  
15 our bad debts are only \$1100 for the year, or  
about two-hundredth of one per cent.

I do not know that there is anything else  
I could mention other than is covered by the  
statement before you, and if there are any  
20 questions you wish to ask I shall be glad to try  
and answer them."

Page 51, Annual Meeting, 26th day of June, 1930:

25 Sales for the year amounted to \$19,349,972.90,  
compared with \$21,262,400.78 last year.

We regret that during the year conditions  
in the cotton industry continued unsatisfactory,  
particularly in those divisions in which this  
company mainly functions, the coarse, medium  
30 and medium fine, grey, white and printed sections.

and the fact that the sales were brought to a point  
about a million and a half in excess of the  
previous year. That, of course, is not taking  
into consideration the activities of the two  
companies, the Birmingham and the other.  
Brooks Cotton Company. It had a very  
active year in many respects. It was a  
year in which it has been a fight for every  
dollar's worth of business we have had. It  
has been a year of extreme activity.  
While no mention is made here, I would say that  
our best goods are only \$100 for the year, or  
about the same as last year.  
I do not know that there is anything else  
I could mention other than is covered by the  
statement before you, and if there are any  
questions you wish to ask I shall be glad to try  
and answer them.  
The sales for the year amounted to \$12,345,678.90,  
which is a record for this year.  
I regret that during the year considerable  
the other industry continued successfully,  
particularly in those lines in which the  
company has been active, and which will  
be of great value to the company.



5963

Eversfield,

During the first six months sales were held well up to the previous year. Owing to lack of employment and consequent buying power, and the partial grain crop failure in the west, we were forced to reduce operations in September, at a period that ordinarily called for the four months of very full working. From October onward, our sales have been in steadily reduced volume.

Indications are that an improvement is in sight, but it is not expected that for the next few months the volume will equal that of the same months of last year.

The over-production of cotton goods in both England and the United States, which has been so disastrous to the mills in those countries has continued throughout the past year. The very large yardage offered in this country from these points has either been sold here at a loss to the producer or has necessitated our accepting business at a loss, in order to keep out such goods and our plants in operation. There seems to be no effective application of the Dumping Clause in the Tariff, nor any attempt made to apply the British Content Clause in the Preferential Tariff on English Cottons.

Owing to conditions it was deemed necessary, and the Kingston Mill was closed.

The work of reconditioning the machinery

During the first six months sales were well up to the previous year, owing to the fact that the weather was very favourable in the latter part of the year. In September, we were forced to reduce operations in order to meet a period of unusually early closing for the four months of very full working. From October onwards, our sales have been in steadily reduced volume. Indications are that an improvement is in sight, but it is not expected that for the next few months the volume will equal that of the same months of last year.

The over-production of cotton goods in the United States and the United Kingdom, which has been so obvious since the war, is now continuing to be contained throughout the year. The very large quantities offered in the latter part of the year have either been sold here at a loss to the producer or has necessitated our keeping business at a loss, in order to keep our stock goods and our funds in circulation. There seems to be no effective application of the principle of the law of supply and demand, and the result is that the market is flooded with goods, and the price is kept low. The result is that the market is flooded with goods, and the price is kept low. The result is that the market is flooded with goods, and the price is kept low.



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Eversfield,

in your subsidiary plants, the Drummondville Cotton Company Limited, and the Sherbrooke Cotton Company Limited, is now nearly completed.

5 The results of the operations of both plants have been satisfactory.

The plants are in excellent physical condition and operating as efficiently as may be expected under existing conditions."

10 Profit and Loss Account, 12 months ended 31st March, 1930:

Interest on Bonds, \$304,515.00

Premium on bonds redeemed, 3,150.00

15 Dividend, - preferred stock, 135,842.00

Dividend, Common stock, 1,349,803.75

Balance at credit, 7,498,035.29

Liabilities of the Company:

20 Capital, - Common stock (authorized 350,000 shares; issued 270,000 shares no par value) \$18,375,000.

"In reply to a question by Mr. Blackader, Mr. Daniels stated:

25 The competition that Textile has to meet is coming from all quarters. I do not suppose it is really appreciated how highly technical and competitive and speculative the cotton industry is. And for two years now this country has been over run by surplus quantities of reserve  
30 stocks of one kind and another, that is, stocks that have been manufactured for the one concern

REVENUE

IN YOUR REPORT...

Cotton Company Limited, and the Shropshire Cotton

Company Limited, is now nearly completed,

The results of the operations of both plants

have been satisfactory.

The plants are in excellent physical condition

and operating as efficiently as any we expected

under existing conditions.

Profit and Loss Account, 12 months ended 31st March

1921

Interest on bonds, \$802,512.00

Premium on bonds redeemed, 3,150.00

Dividend, - Preferred stock, 120,000.00

Dividend, Common stock, 1,200,000.00

Dividend, 1,200,000.00

Activities of the company:

Capital, - Common stock (authorized 10,000 shares)

Issued 2,000 shares no par value \$20,000.00

"in reply to a question by Mr. H. H. H. H."

Mr. H. H. H. H. stated:

The expectation that textile has to meet

is coming from all quarters. I do not suppose

it is nearly everywhere how highly technical

and competitive and associative the business

industry is. And for two years now this country

has been... of recovery

...and...



alone, and these goods are dumped over here.  
We have made representations to the Government  
as to that. Whether the Government intends to  
5 enforce the act or not is questionable, but until  
the Ports of entry for textiles are narrowed down  
to not more than three or four, with competent  
experts put in charge, this country is going to  
be up against the same proposition, because it  
10 is manifestly impossible with so many ports of  
entry available for those who want to slide goods  
in under market prices, or below cost, that an  
appraiser in a place like Cowansville, for instance,  
15 and some of these country ports of entry, can  
have any idea of value, and it is not to be expected.  
We have made representations about this, but we  
have no promises. However, I think we will  
be given some consideration, and that inso far as  
20 textiles are concerned, there will be some narrowing  
up.

MR. BLACKADER: In the Southern States are  
the wages still lower than here?

25 MR. DANIELS: Yes.

MR. BLACKADER: So we are really up against  
the competition of lower wages.

THE CHAIRMAN: Yes, undoubtedly.

30 MR. DANIELS: And they are operating the  
plants on a 24-hour basis; but the most serious  
thing we have had to complain of was borne out

alone, and these goods are dumped overboard.  
We have made representations to the Government  
as to that. Whether the Government intends  
to enforce the act or not is doubtful, but we  
the ports of entry for textiles are numerous  
to put more than three or four, with competent  
experts put in charge, this country is going to  
be up against the same proposition, because it  
is manifestly impossible with so many ports of  
entry available for those who want to slide in  
in under market prices, or below cost, that an  
appraiser in a place like Savannah, for instance,  
and some of these country ports of entry, can  
have any idea of value, and it is not to be expected  
we have made no representations about this, but we  
have no promises. However, I think we will  
be given some consideration, and that time for  
textiles are concerned, there will be some narrow  
up.  
Mr. BLAND: In the common states and  
the wages still lower than here.  
Mr. WILSON: Yes.  
Mr. BLAND: It is the same in the  
the situation of the  
the Government is  
and they are going to  
places on a 64-hour basis; but the most serious  
thing we have had to consider is how to

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by McFadden in the report to the Continental buyers.  
With regard to prices obtained by the mills,  
they point out that a certain cloth was selling  
then at 5 and three-quarters, and it is now five  
and a half, and that is the lowest price in fourteen  
years, netted the mills about thirty and three-  
quarter cents, and that the average price of the  
mills was probably not less than 35 cents. Now,  
when you get the lower price of cotton, or the  
cloth coming in is so much below your cost, your  
production has fully disappeared."

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by inspection in the report to the Continental  
with regard to prices obtained by the mills.  
taken at 5 and three-quarters, and it is now five  
and a half, and that is the lowest price in four  
years, netted the mills about thirty and three-  
quarter cents, and that the average price of the  
mills was probably not less than 85 cents.  
when you get the lower price of cotton, or the  
cloth coming in is so much below your cost, your



General Meeting, 20th day of July, 1931, page

56:

"Sales for the year amounted to \$15,307,758.

a reduction of 20.9% from the previous year.

This reduction is due almost entirely to the lower price per yard at which goods were sold throughout the year. Cotton had unusually wide fluctuations, varying from 16.79 cents in the opening month of our year to 9.26cents in December, and closed the year at 10.68 cents, or a difference of 7.53 cents per pound between the high and low.

Operations throughout the year varied continuously from month to month, and, as intimated at our last meeting, for the first six months lagged behind the corresponding months of the previous year in both volume and value. During the latter part of September, the new Government revised, in part, the cotton schedule, and afforded a very welcome and necessary relief that was almost immediately reflected in greatly increased operations; but sales were made at extremely close prices and very frequently did not cover overhead requirements. Nevertheless, the situation without the tariff changes would have been a very serious one both for your company and its operatives, as operations would have been further curtailed.





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Eversfield

There has been no change or improvement in the cotton goods situation in either England or the United States.

We have very materially increased the number of looms weaving artificial silk goods, and will shortly commence operations in a plant being installed for the production of cotton and cotton and artificial silk cordureys, velvets and velveteen, through which we hope to materially increase sales."

Profit and Loss Account

Profit and Loss Account, twelve months ended 31st March, 1931: Interest on Bonds \$300,000; Premium on Bonds redeemed, \$3,350; Dividends - preferred stock \$135,842. Dividend - common stock \$1,350,000. Balance at credit of Profit and Loss Account \$7,515,551.53.

MR. HEWARD: What is that loss for the year - \$150,000?

MR. McRUER: Balance of credit \$7,498,035.29. Manufacturing profit \$1,085,350.81. Interest on investments \$721,952.43.

Annual meeting 6th day of June, 1932, page 60:

"Sales for the year amounted to \$13,854,636.96 a reduction from the previous year of 9.2%. For the 9.2% lower value of sales, we produced and shipped 1,661,000 more yards of grey cloth, and processed through the Magog Mill works 4,300,000

1911-12

1911-12

There has been no change or improvement  
in the cotton goods situation in either the United States  
or the United Kingdom.  
We have very seriously increased the number  
of items woven and finished silk, wool, and flax  
heavily textured or textured in a plain style  
intended for the production of cotton and wool  
and finished silk, wool, and flax.  
Velvet, which is made to be used in  
increased sales.

Profit and Loss Account

Profit and Loss Account, twelve months ended  
March 31, 1912.  
Premium on bonds redeemed, \$1,100; Dividends -  
preferred stock \$10,000; Dividends - common stock  
\$1,000,000. Balance at start of Profit and Loss  
Account \$1,000,000.  
Mr. KENNEDY: That is the loss for the year -  
\$100,000.  
Mr. KENNEDY: Balance at start of Profit and Loss  
Account \$1,000,000. Interest on  
bonds \$1,000,000.  
Amount received from sale of bonds, \$1,000,000.  
Sales for the year amounted to \$1,000,000.  
a reduction from the previous year of 0.2%. The  
the 0.2% lower value of sales, as compared with  
shipped 1,000,000 more yards of grey cloth, and  
measured time in the market for the same amount.

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Eversfield

yards more colored goods than in the previous year. Cotton had the usual wide fluctuations:- starting our fiscal year at 10.70 cents, it touched a low of 5.32 cents in October, and ended with 6.10 cents on the 31st March, 1932.

Operations varied from month to month throughout the year with a low of 49%, a high of 79%, and an average of 64.10% for the year.

During the month of September, Great Britain went off the gold standard, and, with the accompanying heavy slump in the market value of the Pound Sterling, a rise was expected in the price of cotton goods; but, whilst there was a very moderate rise in some types of goods using American cotton, it flattened out quickly and goods were sold on this market on at an even lower margin for profit than in the past.

The cotton goods situation in both England and the United States is extremely bad, over capacity and over production being largely responsible for cloth selling for several cents per pound below a value to represent cost of production and any small margin for profit."

#### Profit and Loss Account

Profit and Loss Statement for the year ended 31st March, 1932: Interest on Bonds, \$296,470. Premium on Bond redeemed, \$3,500. Dividend -

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years more colored goods than in the previous year. Cotton had the usual wide fluctuations starting out March year at 10.75 cents, it touched a low of 8.25 cents in October, and ended with 8.10 cents on the last day, 1902. Speculations varied from month to month throughout the year with a low of 49¢, a high of 75¢, and an average of 66.10¢ for the year. During the month of September, there was a certain sort of the gold standard, and with the accompanying heavy selling in the market value of the pound sterling, a rise was expected in the price of cotton goods; but, whilst there was a very moderate rise in some types of goods being received abroad, it was not so much and goods were sold on the market on an even lower margin for profit than in the past. The cotton goods situation in both England and the United States is extremely bad, even amongst the most prominent firms. Responsible for both selling for several cents per pound below a value to represent cost of production and any small margin for profit.

THE COTTON MARKET

Small quantities of goods are being sold at a low price, and the market is extremely bad, even amongst the most prominent firms.

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Eversfield

preferred stock \$135,842. Dividend - Common stock  
\$1,350,000. Balance at credit \$7,363,265.93.  
Interest on investments showed \$302,272.67.

5 MR. HEWART: That is the year that shows loss  
of \$115,000. - I mean loss of \$132,000., reduction  
in surplus account.

10 MR. MORUER: No, the balance at the credit of  
surplus account in 1930 was \$7,495,035.29. That is,  
at the credit of profit and loss account. At the  
credit of profit and loss the amount in 1931 was  
\$7,515,551.53.

15 MR. HEWARD: That shows a loss from that of  
\$152,000. taken out of surplus.

MR. MORUER: In 1932 there is a reduction of  
surplus account.

THE COMMISSIONER: Tell me again, what dividend  
was paid.

20 MR. MORUER: The last annual dividend was  
\$1,350,000 on the common stock and full dividend on  
the preferred.

Then at page 61:

25 "The chairman moved the adoption of the  
directors' report, financial statement and  
Auditor's report, which was duly seconded and  
passed, after which he invited Mr. Daniels to  
make a statement.

30 Mr. Daniels said that he was glad to be  
able to report that in the last three months

preferred stock \$100,000. Dividend - Common stock  
interest on have been shown \$100,000.00.  
Mr. Brynie: That is the year that shows loss  
of \$115,000. - I mean loss of \$115,000. Reduction  
in surplus account.

Mr. Brynie: No, the balance of the credit of  
surplus account in 1938 was \$7,400,000.00. That is  
at the credit of surplus and loss account. At the  
credit of surplus and loss account in 1939 was  
\$7,015,000.00.

Mr. Brynie: That shows a loss from that of  
\$115,000. taken out of surplus.  
Mr. Brynie: In 1938 there is a reduction of

Mr. Brynie: Tell me again, what dividend  
was paid.

Mr. Brynie: The last annual dividend was  
\$1,350,000 on the common stock and full dividend on  
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Then at page 61:

"The chairman moved the adoption of the  
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make a statement."

"Mr. Brynie said that he was glad to be  
able to report that in the last three months

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our Government had taken steps to stop the dumping of cotton goods into Canada, with beneficial results. In connection with the forthcoming conference, Mr. Daniels said that his opinion had been asked, so he had prepared a brief outline of the position as he saw it, which he read, as follows:

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During an interview with a reporter of an evening paper upon his recent arrival in Canada, the Hon. G. Howard Ferguson, High Commissioner for Canada in London, was quoted as saying that the effect of the approaching Imperial Economic Conference in Ottawa, would, doubtless, result in the closing of a number of shoe factories and textile companies in the Province of Quebec in order to give British manufacturers a larger share of the business of this market. This was subsequently denied by Mr. Ferguson, but the reported denial apparently never caught up with the original message, with the result that many shareholders sold their holdings.

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I have had innumerable enquiries with regard to the probable effect the approaching conference will have on Canadian industry in general and the cotton industry in particular. My answer is that I cannot see how it can have any detrimental effect, for the following

1914

the Government has been able to get the  
supply of cotton goods into Canada, with  
beneficial results. In connection with the  
Government's efforts, the results have been  
his opinion has been asked, he has not yet given  
a brief outline of the position as he saw it,  
which he read, as follows:

During an interview with a reporter of  
a certain paper upon his recent arrival in  
Canada, the Hon. J. H. Macdonald, Minister of  
Commerce, was quoted

saying that the effect of the approaching Imperial  
Conference in London, was to

result in the closing of a number of those  
factories and textile works in the Province  
of Quebec in order to give other manufacturers  
a larger share of the business of this market.  
This was subsequently denied by Mr. Ferguson,

but the reported denial apparently never came  
up with the original message, with the result

that the Government had been misled.

I have had immediate enquiries with  
regard to the above effect the Government  
conference will have on Canadian industry in  
general and the cotton industry in particular.  
My answer is that I cannot see how it can have  
any detrimental effect, for the following



reasons:

5 The cotton industry in Canada is well  
balanced to produce the bulk of the requirements  
of the trade here. It is considered that, in  
general, it is up to date in its methods of  
manufacturing and equipment to produce and  
distribute economically, considering the popula-  
tion and the territory covered.

10 It is providing employment and a livelihood  
for a very large number of people living very  
largely in communities that would be very badly  
off without the cotton mills and their supple-  
mentary supply manufacturers. Centers such as  
15 Valleyfield, Magog, Montmorency Falls, Three  
Rivers, Quebec, Marysville and Milltown, N.B.  
and Yarmouth N.S., are either entirely or  
largely dependent upon the employment provided  
20 by the cotton mills. A large number of other  
communities scattered throughout Eastern Canada,  
including Montreal, Toronto and Hamilton, benefit  
largely by the labour of the cotton mills and  
their supplementary manufacturers. It is a  
25 very large consumer of power, coal, oil,  
chemicals, dyes, and the thousands of articles  
used in the business, and now manufactured in  
Canada. The cotton industry annually pays a  
30 very large sum for wages, railroad freight,

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reasons:

The cotton industry in Canada is well

balanced to produce the bulk of the requirements of the trade here. It is considered that, in general, it is up to date in its methods of manufacturing and equipment to produce and distribute economically, covering the production and the territory covered.

It is providing employment and a livelihood for a very large number of people living very largely in communities that would be very badly off without the cotton mills and their supplies. The cotton mills, such as the ones at Windsor, London, and Hamilton, are either entirely or largely dependent upon the employment provided by the cotton mills. A large number of other

industries, such as the textile and garment industries, are largely by the labor of the cotton mills and their supplementary manufacturers. It is a very large consumer of power, coal, oil,

chemicals, dyes, and the thousands of articles used in the business, and now manufacturing in Canada. The cotton industry annually pays a



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Eversfield

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and its contribution towards the taxes of Federal, Provincial and Municipal Governments is a very large one. As an industry, it is not ever expanded, having in the neighbourhood of approximately one spindle for each seven and one-half inhabitants.

Apart from greater extremes, necessitating the use of more coal for heating, the climatic conditions in that part of Canada where cotton manufacturing is carried on are equally as satisfactory as those of Great Britain. In fact, from the point of view of the health of the operatives, we consider it better.

The British cotton trade has been passing through a difficult economic situation. In its heyday the demand from India, China and Japan encouraged a development that unquestionably was unsound and was due ultimately to bring disastrous results.

Looking at the Lancashire side of the picture, we find that in 1913 Lancashire had an industry consisting of 55,600,000 spindles, of which approximately 40,000,000 were engaged in what is known as the "American section" and 15,600,000 spindles in the "Fine Spinning Section" for a population of approximately 45,600,000, or in other words, approximately 85% of the

and its contribution towards the taxes of  
Federal, Provincial and Municipal Government  
is a very large one. As an industry, it is  
one of the most important in the neighbourhood of  
a proportionately one spinale per acre and  
one-half labourer.

apart from greater expenses, necessitating  
the use of more coal for heating, the climatic  
conditions in that part of Canada where cotton  
manufacturing is carried on are equally as  
adversely as those of Great Britain. In fact  
from the point of view of the health of the  
operatives, we consider it worse.

The British cotton trade has been passing  
through a difficult economic situation. In 1913  
nearly the demand from India, China and Japan  
was reduced and was the ultimatum to bring  
the industry to a standstill.

Looking at the Lancashire side of the  
picture, we find that in 1913 Lancashire had  
an industry consisting of 50,000,000 spindles,  
of which approximately 40,000,000 were engaged  
in what is known as the "American section" and  
10,000,000 spindles in the "British section".  
For a revolution in the industry, it is  
in the hands of the Lancashire cotton

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spindles and looms in Lancashire were installed for world export trade. It is recorded that in that year Lancashire enjoyed 72% of the cotton export trade of the world.

With the outbreak of war, the situation began to change rapidly. India, China and Japan, which had always taken a very large proportion of Lancashire's cotton goods production, commenced to and in the interval, have installed in the neighbourhood of 10,000,000 ring spindles purchased from English machinery manufacturers, which were operated by very cheap labour to the extent of from 120 to 132 hours per week.

From a production angle, this was equivalent to an additional 25,000,000 spindles, all of which directly affected the Lancashire export trade. Actually, the productive result was more than this, as a ring spindle has a capacity of approximately one-third more than a mule spindle which largely predominates in Lancashire.

The result has been that Lancashire not only has a reduced consumption from, but finds active competition in the markets of the Far East, particularly from Japan and now enjoys only approximately 45% or less of the world's export trade. Notwithstanding this change in the situation, at the end of 1930 it was still trying

spindles and 1 one in Lancashire were installed  
for world export trade. It is recorded that in  
the year 1900 Lancashire exported 70 of the 100 for  
export trade of the world.  
With the outbreak of war, the situation  
began to change rapidly. India, China and  
Japan, which had always been a very large pro-  
portion of Lancashire's cotton goods production,  
commenced to send in the interval, have installed  
in the neighbourhood of 10,000,000 ring spindles  
which were operated by very cheap labour to the  
extent of from 120 to 150 hours per week.  
In addition 25,000,000 spindles, all of which  
are now installed, have been installed in  
India, the productive result was more than  
adequate, as a ring spindle has a capacity of 20-  
approximately one-third more than a mule spindle  
The result has been that Lancashire not only  
has a reduced consumption from, but finds active  
competition in the markets of the Far East, per-  
ticularly from Japan and now enjoys only ap-  
proximately 40% or less of the world's export  
trade. The situation at the end of 1914 is not far  
different.

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to operate 40,000,000 spindles in the American Section and 17,700,000 spindles in the Fine Spinning Section, with disastrous results.

5 A very large number of mills have gone into bankruptcy, owing to the fact that, for the past ten years, there has been no profit in much of the production; and, in the interval, many thousands of millions of yards have been shipped  
10 abroad at a loss, and this country has suffered from the importation of goods sold at below their real cost. In the meantime, wages in the cotton industry in Lancashire are, if anything,  
15 little more than half of those paid in this country. If Lancashire succeeded in capturing all and maintaining the business now coming to Canada from Lancashire and the United States, it would probably add less than 2% to its export  
20 business.

Lancashire now enjoys preferential rates of duty varying from 34/37½% in the Canadian market, and unless our Customs Department insist that  
25 goods be invoiced at a fair market value, i.e., cost of production plus a reasonable margin for selling and profit, we, in this country, will continue to operate under the present unsatisfactory conditions.

30 The operation of a tariff is a difficult one

to the rate of \$6,000,000 spinners in the American  
section and 17,700,000 spinners in the British  
section. In the American section, the disbursements were  
very large number of mills have gone into  
bankruptcy, owing to the fact that, for the past  
ten years, there has been no profit in much  
of the production; and, in the interval, many  
thousands of millions of yards have been shipped  
abroad at a loss, and this country has suffered  
from the importation of goods sold at prices  
their real cost. In the meantime, wages in the  
cotton industry in Lancashire are, if anything,  
higher than were paid in other parts of this  
country. If Lancashire succeeded in capturing  
all and maintaining the business now coming to  
her from Lancashire and the rest of the world,  
it could probably not lose more than 2% to the Canadian  
business.

Lancashire now enjoys preferential rates of  
duty varying from 34% to 45% in the Canadian market,  
and unless our Government had a better  
policy be involved at a fair market value, i.e.,  
out of the nation plus a reasonable margin for  
profit and profit, we, in this country, will  
continue to operate under the present unbusiness-  
factory conditions.

The situation of a tariff is a difficult one

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for the lay mind to understand, the general idea being that a 25% protection means that much more profit to the Canadian cotton mill and higher prices for the goods. Such is not the case. A tariff is intended to preserve the home market for the Canadian manufacturer for those goods he is capable of producing economically and to meet those higher costs of production that are largely beyond his control.

Under the present very low price of raw cotton and finished goods, an ad valorem duty returns (what should otherwise be sufficient) comparatively small protection in cents per pound. It is also obvious that for every cent per pound at which goods are exported to this country below the true cost, there is automatically deducted that much protection. For example, of a 20% protection represents one cent per yard, and goods are sold one quarter of a cent per yard below the true cost, there is automatically deducted 25% of the protection, leaving the real protection only three-quarters of a cent per yard.

I think that much good may come from the Imperial Economic Conference. Unofficial Committees, representing the two countries, can be set up, and mutually satisfactory agree-

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Beverlyfield

For the lay mind to understand, the general idea being that a 50% protection means that much more profit to the Canadian cotton mill and higher prices for the goods. When is not the case. A tariff is intended to preserve the home market for the Canadian manufacturer for those goods he is capable of producing economically and to meet those higher costs of production that are largely beyond his control.

Under the present very low prices of raw cotton and finished goods, an ad valorem duty returns (what should otherwise be a 50% protection) is also obvious. It is also obvious that for every cent per pound of which goods are exported to this country below the true cost, there is automatically deducted that much protection. For example, of a 50% protection represents one cent per yard, and goods are sold one quarter of a cent per yard below the true cost, there is automatically deducted 25% of the protection, leaving the real protection only three-quarters of a cent per yard.

I think that much good may come from the

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ments recommended to the Government, protecting the consumer, and giving the British manufacturer a reasonable running start on other world manufacturers.

The cotton trade here is fully prepared to do its utmost to further the expansion of trade within the Empire, and propose making certain representations to the Customs Department at Ottawa that will permit its doing this."

Then page 65, Annual General Meeting of the 7th of June, 1933.

" The year under review has been a trying one in almost every respect, as evinced by these figures. They indicate the effect of lower sales, both in value and volume, at prices affording, in many cases, no margin above bare manufacturing cost. The total sales at \$11,463,646.41 show a decline from the previous year of 7.28%, and the decrease in the volume of merchandise handled was 4.75%. Except for a short-lived flurry in the beginning of September, 1932, the price of raw cotton was unusually stable, with a slight rise towards the end of the fiscal year.

There has been a steady pressure of importations from Lancashire as the further preference granted Great Britain last year have come into play. The fact that importation

-1957-

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CONFIDENTIAL - 1957

Following the summer, and giving the British  
manufacturers a reasonable warning about the

The cotton trade here is fully prepared  
to do its utmost to further the expansion of  
trade within the Empire, and propose making  
certain representations to the Customs  
Department at Ottawa that will permit its  
this."

Then page 66, Annual General Meeting of the 7th of  
June, 1953.

"The year under review has been a trying  
one in almost every respect, as evinced by  
these figures. They indicate the effect of  
lower sales, both in value and volume, at  
prices offering, in many cases, no margin  
above mere manufacturing cost. The total  
sales at \$11,468,446.41 show a decline from  
the previous year of 7.8%, and the decrease  
in the volume of merchandise handled was  
4.7%. Except for a short-lived flurry in  
the beginning of September, 1953, the price  
of raw cotton was unusually stable, with a  
slight rise towards the end of the fiscal  
year.

There has been a steady pressure of in-

CONFIDENTIAL - 1957

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"of cotton yarns and cloths from the United Kingdom in the year ended March 31st, 1933, have increased by over 300,000 pounds as compared to the previous year when better trade conditions prevailed, is indisputable evidence of the actual situation resulting from the steps taken by our Government to implement the understandings arrived at during the Imperial Economic Conference in Ottawa last summer. At the same time, it constitutes a definite answer to those who have sought to decry and minimize the part that the domestic cotton manufacturers have been called upon to play in doing their share towards building up an export market for Canadian wheat and other natural products in Great Britain .

There have been no radical changes in the condition or equipment of your plants during the past year. They have been maintained in excellent repair, and any manifested improvements in machinery or manufacturing methods that might tend to increase the operating efficiency of the mills and lower the costs of production have been adopted.

"When it became apparent at the close of the third quarter of the fiscal year that earnings were bound to fall far short of full dividend requirements for the year, it was

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"of cotton yarn and other items from the United Kingdom in the year ended March 31st, 1935, have increased by over 200,000 pounds as compared to the previous year when better trade conditions prevailed, is indicated by the fact that the actual situation resulting from the steps taken by our Government to implement the understanding arrived at during the Imperial Economic Conference in Ottawa last summer. At the same time, it constitutes a definite answer to those who have sought to deny and minimize the part that the domestic cotton manufacturers have been called upon to play in doing their share towards building up an export market for Canadian wheat and other agricultural products in Great Britain. There have been no radical changes in the condition or equipment of your plants during the past year. They have been maintained in excellent repair, and any small stated improvements in machinery or manufacturing methods that might tend to increase the operating efficiency of the mills and lower the costs of production have been adopted. When it became apparent at the close of the third quarter of the fiscal year that conditions were likely to continue in the same direction, it was decided to adopt the following measures:

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"decided to reduce the dividend on the Common Shares from \$1.25 to \$1,000 per share for the fiscal quarter. Your Directors are in hopes that, with a continuation of the improvement in business conditions which has come about since the beginning of the current fiscal year, it will not be necessary to reduce the dividend any further.

The officers and employees of the Company have contributed towards meeting conditions by accepting a reduction in their salaries and wages, ranging from 10% to 20%."

#### Profit and Loss Statement

Profit and Loss statement for the year ending 31st March, 1933. It is now called the Surplus Account.

#### SURPLUS ACCOUNT

|                                   |              |                |
|-----------------------------------|--------------|----------------|
| Balance at credit, 1st April 1932 |              | \$7,363,265.93 |
| Add: Net Profit from Operations   | \$367,215.78 |                |
| Interest on Investments           | 550,828.22   | 918,044.00     |
| Total                             |              | \$8,281,309.93 |

From which was deducted:

|                                                     |            |              |
|-----------------------------------------------------|------------|--------------|
| Interest on Bonds                                   | \$292,095. |              |
| Premium on Bonds redeemed                           | 3,750.     |              |
| Transfer to Reserve for depreciation of Investments | 1,000,000. |              |
| Dividends on Pre. stock                             | 135,842.   |              |
| Dividends on Com. "                                 | 1,282,500. | 2,714,187.00 |

Leaving a balance to credit 31st March, 1933.....\$5,567,122.93

"designed to reduce the dividend on the common shares from \$1.25 to \$1.00 per share for the fiscal year. Your directors are in favor of this proposal."

that, with a continuation of the improvement

since the beginning of the current fiscal

year, it will not be necessary to reduce

the dividend any further.

The officers and employees of the Com-

pany have contributed towards meeting the

divisions by accepting a reduction in their

salaries and wages, ranging from 10% to 20%."

Profit and Loss Statement

Profit and Loss Statement for the year ending

31st March, 1933. It is now called the Company

|                                   |                      |
|-----------------------------------|----------------------|
| Balance at credit, 1st April 1932 | £7,362,365.93        |
| Add: Net Profit from Operations   | £327,215.78          |
| Interest on Investments           | £50,325.23           |
|                                   | <u>£7,740,000.00</u> |

The total is as follows:

|                                       |                      |
|---------------------------------------|----------------------|
| Interest on Bonds                     | £1,225,000.00        |
| Dividend on Bonds                     | £1,225,000.00        |
| Transfer to Reserve for Contingencies | £1,225,000.00        |
| Dividend on Res. Stock                | £1,225,000.00        |
| Dividend on Com. "                    | £1,225,000.00        |
|                                       | <u>£5,700,000.00</u> |

leaving a balance to credit 31st March, 1933.....



At page 80, Annual Meeting 2nd day of May, 1934:

" Mr. G. B. Gordon was asked by the Chairman to read the Report of the Board of Directors, which he read as follows:

"To the Shareholders  
of Dominion Textile Company, Limited.

Dear Sirs:

Your Board can report a year of more extensive operations, with substantial improvement in financial results for the fiscal period ending March 31st, 1934.

Goods were sold to the value of \$17,097,751.91, an increase in value of 49% over the previous year, while the volume of goods produced was 37% greater. There was an 80% rise in the price of raw cotton during the year, and the average valuation, as contained in goods sold, was 17% higher. The inference can, therefore, be drawn, that, had sale prices been increased so as to wholly absorb the higher cost of raw cotton, the value of goods sold would have shown a still greater increase over last year. The benefits to be derived, both from the consumer's and the manufacturer's standpoint, through increased operations, are shown in the reduction of manufacturing costs, as embodied in the prices at which goods have been sold in the face of the increase in raw cotton values.

Investments

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At page 80, annual meeting and day of May, 1934:

Mr. A. L. Gordon was asked by the Chairman

to read the report of the Board of Directors

which he read as follows:

and the shareholders  
of Dominion Textile Company, Limited.

Dear Sirs:

Your Board was proud a year of more

extensive operations, with substantial im-

provement in financial results for the fiscal

period ending March 31st, 1935.

Goods were sold to the value of \$17,097,731.2

an increase in value of 4% over the previous

year, while the value of raw cotton was

\$7.1 greater. There was an 80% rise in the

price of raw cotton during the year, and the

average valuation, as contained in goods sold,

was 17% higher. The difference was, there-

fore, be drawn, that, had sale prices been

increased so as to wholly absorb the higher

cost of raw cotton, the value of goods sold

would have shown a still greater increase over

last year. The picture to be derived, both

from the statement and the accompanying

financial statement, is that the

the gain in the value of raw cotton

costs, as embodied in the prices at which goods

have been sold is the result of the

in raw cotton value.

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"At the same time, the Company has earned its fixed and dividend charges from profit on manufacturing operations, and has given more employment to seven thousand workers on the pay rolls.

It is a healthy indication of business conditions in Canada that, along with the increased volume of business transacted by this Company and the other Canadian Cotton manufacturers, imports of cotton goods under the provisions of the Ottawa United Kingdom Trade Agreements have also shown a very great increase. In the calendar year 1933 the total importations of cotton goods from the United Kingdom were up 72% over the year 1932, and the Manchester Chamber of Commerce export figures for the first two months of the current calendar year show that this condition continues to exist.

" Dividends on the Common Stock have been paid continuously since June, 1907, and the total amount distributed represents 4.8% per annum on the average net worth of the Company since its inception in 1905.

" The 10% reduction in wages and salaries made last year has been in effect up to April 2nd, 1934, when wages were increased by 5%, although salaries were not included in this revision."

At the same time, the Company has earned  
 its fixed and dividend income from profits  
 maintaining operations, and has given more  
 employment to seven thousand workers on the  
 ...  
 It is a healthy indication of business confidence  
 in Canada that, along with the increased volume  
 of business transacted by this Company and the  
 ...  
 cotton goods under the provisions of the Cotton  
 Textile Importation Trade Agreements have also shown  
 a very great increase. In the calendar  
 year 1933 the total importations of cotton  
 goods from the United Kingdom were up 75%  
 over the year 1932, and the Manchester Chamber  
 of Commerce export figures for the first two  
 months of the current calendar year show that  
 this export business is rising.  
 Dividends on the common stock have been  
 ...  
 total amount distributed represents 4.8% per  
 annum on the average net worth of the Company  
 since its inception in 1903.  
 ...  
 made last year has been in effect up to April  
 and 1934, and will be continued in 1935.  
 ...

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Eversfield

Then page 72:

"The Chairman stated that the Company's year had been a very satisfactory one as a result of a considerable improvement in business, He pointed out to the dividend record of the Company, remarking that the dividend on the common stock had been paid since 1907, and expressing the hope that the Company would continue to pay dividends in the years to come."

Suprlus Account as at 31st March, 1934.

THE COMMISSIONER: This Surpluse Account is the same thing that used to call Profit and Loss Account?

MR. WHITELEY: Changed the form a little but contains the same items.

SURPLUS ACCOUNT  
as at 31st March, 1934.

|                                                                                             |                     |
|---------------------------------------------------------------------------------------------|---------------------|
| Balance at Credit 1st April, 1933.....                                                      | 45,567,122.93       |
| Add: Net Profit from operations after providing for Interest on Bonds and Income Taxes..... | \$1,381,816.50      |
| Interest and Profit on Investments.....                                                     | 444,571.32          |
|                                                                                             | <u>1,826,387.82</u> |
| Making total of, 1933.....                                                                  | \$7,393,510.75      |

|                                                      |                     |
|------------------------------------------------------|---------------------|
| Deduct:                                              |                     |
| Premium on Bonds Redeemed                            | \$ 3,950.00         |
| Adjustment of Depreciation Account re Kingston Plant | 160,122.85          |
| Dividends on Preferred Stock                         | 135,842.00          |
| " Common "                                           | <u>1,080,000.00</u> |
|                                                      | <u>1,379,914.85</u> |
| Balance at Credit 31st March, 1934                   | \$6,013,595.90      |

Then page 76, Annual Meeting, 24th July, 1935.

"The Chairman directed the attention of the Meeting to the pamphlet "Financial History of your Company" which had been mailed to

Then page 72:

"The Chairman stated that the Company's year had been a very satisfactory one as a result of a considerable improvement in business. He related that the dividend record of the Company, remarking that the dividend on the common stock had been paid since 1907, and expressing the hope that the Company would continue to pay dividends in the years to come."

Some."

Surplus Account as at 31st March, 1934.

THE CHAIRMAN: This Surplus Account is the

same thing that used to call itself the Reserve Account.

contains the same items.

SURPLUS ACCOUNT

as at 31st March, 1934.

Dividend on Shares

for interest on Bonds and

Income Tax

Interest and Profit on Investments

Reserve

Surplus

Total

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

£ 1,000,000

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£ 1,000,000



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Eversfield

the Shareholders together with the Annual Report. He referred to the fact that the Company's 6 per cent Bonds had been retired during the year, and replaced by a new issue of 4½ per cent Bonds, resulting in an annual reduction in interest charges of approximately \$70,000.00. He indicated that the cost of the operation in premium on the retired bonds and discount on the new bonds had amounted to \$335,000.00; and mentioned the fact that the Company's working capital had improved during the year by the amount of \$407,880.77."

SURPLUS ACCOUNT

As at 31st March, 1935

Balance at Credit 1st April 1934.....\$6,1013,595.80

## ADD:

Net Profit for the year ended  
31st March, 1935..... 1,298,121.99  
\$7,311,717.89

## DEDUCT:

Dividends on Preferred Stock \$ 135,842.  
" " Common 1,350,000.1,485,842.00

Balance at Credit 31st March, 1935.....\$5,825,875.89

MR. MORUER: For the year 1935 there is a Directors' Report that I think we should have some extracts from at any rate.

MR. WHITELEY: Three pages after page 78:

"Net Manufacturing Profit, after provision for depreciation, interest on bonds, etc., but before providing for Income Tax, was \$1,067,622.80. After making provision for





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Eversfield

"Income Tax, amounting to \$220,000.00, the net Manufacturing Profit is reduced to \$847,622.80. This is \$638,179.20 short of dividend requirements, and is only partially offset by income from investments amounting to \$450,439.19, leaving a net deduction of \$187,720.01 to be made from Surplus Account.

" Various forms of taxation in addition to Income Tax, such as Excise Tax and Sales tax on purchases, Capital Tax, Business Tax, School Taxes, and Municipal Taxes, called for the payment of a further sum of \$384,353.26, equal to approximately 10% of our annual wage bill, and all of which had to be absorbed in Operations. The ever mounting burden of taxation, which must be added to legitimate operating expenses, is playing a regrettable part in raising the production cost of manufactured goods."

"Tariff. The Lancashire Cotton Industry has promoted Reference No. 83 to the Canadian Tariff Board, calling for a review of the current Preferential Tariff on cotton goods in the light of Article 11 of the 1932 Trade Agreement between the United Kingdom and Canada. The Industry in Canada finds itself in complete accord with the idea that the situation should be examined in order to determine whether present duties are actually

1934-1935

1934

Income tax, amounting to \$250,000.00, the  
deductible loss is reduced to \$447,000.  
This is \$558,179.20 short of dividend received  
amount, and is only partially offset by income  
from investments amounting to \$450,000.19,  
leaving a net deduction of \$187,729.01 to be  
applied to the tax liability.  
Various forms of taxation in addition to  
income tax, such as Excise tax and Sales Tax  
on automobiles, and various other taxes, called for  
the payment of a further sum of \$184,000.26,  
equal to approximately 10% of our annual wage  
bill, and all of which had to be absorbed  
in operations. The ever mounting burden  
of taxation, which was in line with  
legitimate operating expenses, is placing a  
onerous part in raising the production  
cost of manufactured goods.  
The Government has promoted Reference No. 82 to the Canadian  
Tariff Board, calling for a review of the  
tariff on cotton goods  
in the light of Article II of the 1932 Trade  
Agreement between the United States and  
Canada. The Government is also calling for  
a review of the tariff on cotton goods  
in the light of Article II of the 1932 Trade  
Agreement between the United States and  
Canada.

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"sufficient to give cotton manufacturers in Canada an opportunity of reasonable competition in the Canadian market on the basis of the relative costs of economical and efficient production in Lancashire and Canada.

" It appears almost self-evident that when in 1934, out of a total consuming market of 300,000,000 yards, 64,000,000 yards were supplied from Lancashire, thereby forcing Canadian mills on to continual short time operations, either present duties are insufficient to equate costs of production in Lancashire and Canada, or, if sufficient, that costs in Lancashire are not the main factor in determining the prices at which Lancashire goods are being sold to this market.

" It is not generally appreciated that the duties established in 1930 constituted the minimum protection which might serve to meet the situation as it then existed. Not only have new factors arisen in the meantime necessitating a higher scale of duties to afford that minimum protection, but the preferential section of the 1930 Tariff has, in effect, been thrise reduced; in 1932, when the Specific Duty was cut by one-third; in 1934, when the Excise Tax was reduced from 3% to 1%; and in February, 1935, when the Excise Tax on cotton goods, coming under the Preferential Tariff, was abolished.

"...to give cotton manufacturers in Canada an opportunity of reasonable competition in the Canadian market on the basis of the relative costs of economical and efficient production in Louisiana and Canada.

...in 1930, out of a total consuming market of 300,000,000 yards, 84,000,000 yards were ... Canadian mills on to continental short time operations, either present facilities are insufficient to equate costs of production ... that costs in Louisiana are not the main factor in determining the prices at which Louisiana goods are being sold to this market. It is not generally appreciated that the duties established in 1930 constituted the ... the situation as it then existed. For only have new factors entered in the marketing process tending a higher scale of duties to afford the minimum protection, but the preferential section of the 1930 tariff has, in effect, been thrice reduced; in 1938, when the ... 1930, when the duties were ...

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MR. HEWARD: I notice they jumped the clause of Excise Tax, which is really explanatory of the previous.

MR. WHITELEY: I will read it: D

"Despite protests which have been lodged in the proper quarters, we continue to pay a 3% Excise Tax on our raw cotton from both the United States and Egypt, which raises the price of our raw material \$2.50 per bale above the world level obtaining in other countries whose manufactured goods are competing with our own in this market.

Employees: Our Company like many other Canadian concerns of similar character for many years has been taking proper steps to safeguard the position of employees and their families in sickness, death and old age. This fact has not been stressed in the past as it was hardly considered necessary to emphasize a policy which is so generally practised by reputable firms in this country.

The sum of \$73,154.75 has been paid in pensions to retired employees over the past year, bringing the total amount paid out since the Pension Plan was first put on a regular basis in 1923 up to \$565,997.14.

A Group Life Insurance Plan is in effect, which provides insurance, amounting to the

Mr. NEWBOLD: I notice they jumped the fence  
 at Kilauea, which is really a violation of the  
 provisions.

Mr. MILLER: I will read it.  
 "Despite protests which have been lodged  
 in the proper quarters, we continue to pay a  
 3% excise tax on our raw cotton from both the  
 United States and Egypt, which raises the  
 price of our raw material 18.50 per bale above  
 the world level obtaining in other countries  
 whose raw cotton goods are competing with  
 our own in this market."

Employees: Our company like many other  
 American concerns of similar character for  
 many years has been taking proper steps to  
 safeguard the position of employees and their  
 families in sickness, death and old age. This  
 fact has not been entered in the report as it  
 was well known to the committee.  
 A policy which is a generally practiced by  
 all large firms in this country.

The sum of \$75,154.75 has been paid in  
 payment of 1934-1935 insurance for the last  
 year, including the cost of the life insurance  
 which the company has been paying out on a  
 regular basis in the sum of \$50,000.00.

A group of 15 persons are in the  
 hospital at present.

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total sum of \$625,000.00 at the present time,  
on the lives of employees, and to which the  
Company contributes a share of the premium.  
Accident and Sickness Insurance is also in  
effect in certain of our plants where the  
workers, in sufficient numbers, have signified  
their interest. In such cases, the Company  
absorbs part of the cost of protecting the  
employees against loss of earning power when  
ill, or prevented from working by an accident  
outside of the plant. The employee, is, of course  
insured against accidents occurring in the course  
of his work through the Workmen's Compensation  
Act.

total sum of \$25,000.00 at the present time,  
on the lives of employees, and to which the  
company contributes a share of the premium.  
Accidents and illness are also in this in-  
terest in certain of our plants where the  
workers, in sufficient numbers, have organized  
their interest. In such cases, the Company  
represents part of the cost of protecting the  
employees against loss of earning power when  
ill, or prevented from working by accident.  
outside of the plant. The employee, in, or near  
of his work there in the workmen's compensation

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Q. Mr. Eversfield, a report of the operations up to the 31st of March, 1936, has been published-- do I understand that the meeting has not yet been held? A. Yes, sir.

Q. When is the meeting to be held? A. It has not been announced yet. Has not been fixed.

Q. But this Report I show you is a copy of the Report that has been published? A. Yes.

Q. Directors' Report to the Shareholders of Dominion Textile Company, Limited? A. Yes.

"Your Company has a net worth of \$25,709,022.74 invested in the business of manufacturing cotton and rayon textiles in Canada, and has expended during the last seven years in direct wages, and salaries, to its employees a total of \$33,369,247.32. The workers in the mills received 86.26% of this sum in the form of wages; the remaining 13.74% represents all salaries to executive, administrative, clerical, and selling staff.

On our 270,000 Common Shares, we are attempting to earn an annual dividend of \$5.00 per share. This calls for a return of 5.25% on the net worth of the Company. This year, before paying one cent in dividends to those who have a stake in the Company through their shareholdings, a

Mr. Haverfield, a report of the operations up to the first of March, 1956, has been published--

When is the meeting to be held? It has not been announced yet. Has not been fixed.

But this report I know you is a copy of the

Director's report to the shareholders of

"Your company has a net worth of \$25,709,

\$25,74 invested in the purchase of

textile cotton and rayon textiles in

Canada, and has expanded during the last

seven years in direct wages, and salaries,

to the employees a total of \$25,209,247.35.

The workers in the mills received \$4.25

of this sum in the form of wages; the

remaining \$2,000,000 was used for

investing, research, and

selling staff.

On our \$25,000 common shares, we are

attempting to earn an annual dividend of

\$2.00 per share. This will be a return

of 8.00% on the net worth of the company.

With your, better wages and

attempts to those who have stake in the

by through their shareholders,



total amount of \$819,541.60 must be either paid out or set aside to meet the many and varied forms of taxation which exact tribute from manufacturers. In the fiscal year just ended, we paid Excise Tax on our raw material amounting to \$173,080.13. Sales Tax on work done within the Company, such as mechanical repairs, engraving of copper rolls for printing etc., amounts to \$13,365.14. Sales and Excise Taxes are also included, in many instances, in the prices of articles and supplies of various kinds which must be brought to carry on the operation of our establishments, and, over the past year, increased the cost of such items by \$120,869.54. We have paid \$224,396.27 in Property and Business Taxes to municipalities; \$71,165.83 in various forms of taxes to provincial authorities; and have paid or made provision to pay \$206,664.69 Income Taxes to the Federal Government. This latter figure includes an amount of \$19,177.44 applying against our fiscal year completed March 31st, 1934, and which was collected from us recently, owing to the retro-active nature of an Income Tax Amendment enacted more than one year after the close of the fiscal period to which it was applied. A further \$35,644.80 has also become due as Income Tax applicable to prior years, making a total of

total amount of \$610,841.00 must be ather paid

14-00000 Inland NW 1/4 Sec 20 T20N R20E S12E 1/4 Sec 20

completed Mar 11 1964, and which was



\$54,822.24 to be deducted from Surplus Account this yer. While the Company has an issue of Preferred Stock, it is evident that governments of one kind and another are the real preferred shareholders as their takings this y ar represent earnings of \$42.00 per share on the Company's Preferred Issue.

Profit and . . . After providing for Deprecia-  
Loss Account.  
tion, the mills show a gross Profit of  
\$1,142,038.59 on Operations. From this figure  
must be deducted \$500,805.93 comprising  
Bond Interest, Income Tax provision, and other  
charges leaving an amount of \$641,232.66 Net  
Profit from Operations, to which can be added  
\$466,978.43 return from Investment Account  
and other income, giving \$1,108,211.09 avail-  
able for dividends. Dividends of seven per  
cent on the Preferred Stock, requiring  
\$135,842.00, and \$5.00 per share on the Common  
Stock, calling for \$1,350,000.00 have been paid  
during the year; and the amount of dividends  
paid but not earned, namely, \$377,630.91,  
has come out of Surplus Account.

Employment: During the past twelve months  
and more, we have, to a considerable  
extent, been successful in maintaining sales,  
production and employment, through a policy  
taking business even at subcost prices in





certain instances. The substantial wage earnings of our employees have been a stabilizing factor in several communities, and, in such places, there has been little or no relief problem confronting the local authorities. In Sagoy, P.Q., for example, a town of some 8,000 souls, where our Cotton Mill and Print Works have been giving employment to approximately 1,500 people, the civic resources have not been subjected to dole demands, and the municipal finances are in a very healthy condition.

Tariffs: The levels of value at which Cotton and Rayon Textiles can now enter Canada from the United Kingdom, the United States, and Japan, under tariff arrangements concluded in recent months, have brought matters to the point where it may be impossible to pursue our previous policy, having due regard to the ultimate welfare of all concerned. The loss involved in producing goods on our former scale, a large proportion of which may now only be sold at prices below the cost of production, is more than even our own sound Balance Sheet position can be expected to stand without danger of grave impairment in a comparatively short time. We are, therefore,

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forced to consider proper steps to conserve  
the position of the Company until the situation  
facing us changes. These may entail con-  
siderable curtailment of manufacturing operations  
at our various plants throughout the Province  
of Quebec, but such a tendency was undoubtedly  
foreseen by the Government in framing its  
tariff policy if it was expecting, by virtue  
of its recent reductions in the Textile Tariffs,  
to increase its revenue from Customs sources.  
It must have anticipated that the lower rates  
of duty would be offset by increased importa-  
tions of Textiles and realized that the  
inevitable result of larger imports would be  
for smaller quantities of such goods to be  
manufactured in Canada. Despite the inimical  
conditions under which the Textile Industry  
in Canada is carrying on at present, the  
prosperity of the Nation as constituted,  
and the industry is closely related to the  
same essentials, and we feel confident your  
Company will come through what can only prove  
to be a temporary period of adversity.

MR. McRUER: There is a passage following  
"Purchases" and I think it is important and we will  
not overlook it. It shows where certain purchases  
are made, but I think I asked Mr. Gordon to prepare  
a statement of that so that we will have it in  
statement form.

forced to consider proper steps to conserve  
the position of the company until the situation  
became less acute. These may be small con-  
siderations, but they are nevertheless  
of our various clients throughout the province  
of Ontario, but such a tendency was undoubtedly  
fostered by the Government in treating its  
tariff policy as it was expecting, by virtue  
of the tariff schedule in the tariff bill  
to be passed, to increase the tariff rates.  
it must have anticipated that the lower rates  
which would be offered by increased imports  
of textiles and realized that the  
inevitable result of lower imports would be  
for smaller quantities of such goods to be  
imported and in Canada. Despite the financial  
conditions under which the textile industry  
in Canada is at this time, the  
protection of the industry is essential,  
and the industry is closely related to the  
same necessities, and we feel confident that  
anybody will see through that and only prove  
to be a temporary period of adversity.  
Mr. Brydies: - there is a chance following  
"improvement" and I think it is important that we will  
not overlook it. It shows where certain industries  
are, but I think it would be better to remain  
statement of that so that we will have it in  
statement form.

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Reduced  
Margins

There is a sound school of economic thought which holds that an industry, in order to justify its existence, must be able to show that it is continually reducing the cost of manufacture of its product and passing on the saving to the public in the form of lower prices. The Automobile industry is frequently cited as a shining example of what can be done in this respect, and the inference is often left that any other industry, which has not kept pace with it, is out of step with the times. The all-important point which is overlooked in this dictum is the newness of the Automobile Industry as compared with the Textile and other long established industries. The stages of development which the Automobile Industry has been passing through in the last decade or so are to be found half a century or more ago in the history of older industries attended by remarkable reductions in cost of manufacture and lowering of prices for goods produced. The real wonder is that, despite rising wage levels and all-round higher costs of doing business, the old established industries have been able to show small reductions in manufacturing costs and in the spread between raw material and finished goods' values during recent years. Comparing

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Refused  
There is a sound school of economic  
thought which holds that an industry  
in order to justify its existence, must be  
able to show that it is actually reducing  
the cost of manufacture of the product and  
passing on the saving to the public in the form  
of lower prices. The automobile industry is  
frequently cited as a striking example of what  
can be done in this respect, and the laborer  
is often told that by other industries, which  
has not kept pace with it, is out of step  
with the times. The all-important point  
which is overlooked in this slogan is the new  
era of the (automobile) industry is associated  
with the textile and other long established  
industries. The stages of development which  
the automobile industry has passed through  
in the last decade or so are not to be  
half a century or more ago in the history of  
the textile industry and iron and steel  
industries in fact of many other and important  
of prices for goods produced. The real question  
is that, despite the high wages paid and the  
high priced costs of doing business, the automobile  
industry has managed to show a saving to the  
public in the form of lower prices and in  
the spread between raw material and finished  
goods, which is a recent feature. Comparing



the fiscal year ended March 31st, 1936,  
with 1930, your Company has operated on an 8%  
lower margin between raw material and sale  
values than prevailed six years ago. Un-  
fortunately, we have not been able to achieve  
a corresponding reduction in manufacturing  
costs, with the result that profit on Manu-  
facturing operations has been reduced to a  
level where it no longer represents a fair  
return on the effort expended or the risk  
involved. It is evident that such a condition  
cannot continue indefinitely and must be  
corrected one way or another.

--

--The Commission adjourned at 5.30 P.M., Friday,  
5th June, 1936, to resume on Monday, 8th June, 1936,  
at 11 A.M.



Everfield

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the fiscal year ended March 31st, 1936,

with 1935, your Company has operated on an ex-

lower margin between raw material and sale

values than prevailed six years ago. Un-

fortunately, we have not been able to achieve

a corresponding reduction in manufacturing

costs, with the result that profit on manu-

facturing operations has been reduced to a

level where it no longer represents a fair

return on the effort expended or the risk

involved. It is evident that such a condition

cannot continue indefinitely and must be

corrected one way or another.

--The Commission adjourned at 5.30 P.M., Friday,

5th June, 1936, to resume on Monday, 8th June, 1936,

at 11 A.M.







